



Al Meezan
Investment Management Ltd.

AM1
Rating by VIS & PACRA

INVEST IN THE **GROWTH POTENTIAL** OF PAKISTAN

HALF YEARLY REPORT
DECEMBER - 2021



FUNDS

Meezan

Islamic Fund

Al Meezan

Mutual Fund

KSE-Meezan

Index Fund

Meezan

Energy Fund

Meezan

Pakistan Exchange Traded Fund

Meezan

Balanced Fund

Meezan

Asset Allocation Fund

Meezan

Dedicated Equity Fund

Meezan

Gold Fund

Meezan

Islamic Income Fund

Meezan

Sovereign Fund

Meezan

Daily Income Fund

Meezan

Cash Fund

Meezan

Rozana Amdani Fund

Meezan

Financial Planning Fund of Funds

Meezan

Strategic Allocation Fund

Meezan

Strategic Allocation Fund-II

Meezan

Strategic Allocation Fund-III

Meezan

Tahaffuz Pension Fund

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MIF	AMMF	KMIF	MEF	MPETF	MBF	MAAF	MDEF	MGF	MIIF	MSF	MDIF	MCF	MRAF	MFPF	MSAF	MSAF-II	MSAF-III	MTPF
41	62	83	102	120	137	160	179	199	216	238	257	282	300	322	351	380	407	424
42	63	84	103	121	138	161	180	200	217	239	258	283	301	323	352	381	408	-
43	64	85	104	122	139	162	181	201	218	240	259	284	302	324	353	382	409	425
44	65	86	105	123	140	163	182	202	219	241	260	285	303	325	354	383	410	426
45	66	87	106	124	141	164	183	203	220	242	261	286	304	327	356	385	411	427
46	67	88	107	125	142	165	184	204	221	243	262	287	305	331	360	389	412	-
47	68	89	108	126	143	166	185	205	222	244	263	288	306	333	362	391	413	430
48	69	90	109	127	144	167	186	206	223	245	264	289	307	335	364	393	414	429
49	70	91	110	128	145	168	187	207	224	246	265	290	308	337	366	395	415	433



Al Meezan
Investment Management Ltd.

WHO WE ARE

We began our journey in 1995. The objective of the journey was simple, to bring Shariah Compliant investment options to the people of Pakistan. In over 26 years since then, Al Meezan Investment Management Limited, due to the trust our customers hold in us, has now become the Largest Shariah Compliant Asset Manager in Pakistan. With an innate culture of innovation and the purpose of making Shariah Compliant investing every Pakistani's first investment avenue of choice, Al Meezan has achieved assets under management base of over Rs. 189 Billion (as on June 30, 2021).

As Pakistan's only full-fledged
Shariah Compliant Asset Management Company
with the sole mandate to provide Shariah Compliant
investment solutions to our valued clients, we have
enabled our customers towards achieving their
financial objectives.

Al Meezan offers a full breadth of Shariah Compliant investment solutions ranging from equity, sector, balanced, asset allocation, fixed income, money market, capital preservation, fund of funds, commodity, exchange traded and voluntary pension schemes. Depending on each investor's need, we provide expert guidance enabling them to reach their financial goals.





Al Meezan
Investment Management Ltd.

OUR CORE VALUES

Our Core Values are the 5 pillars of our foundation. They reflect and reinforce our character and standing as an organization. These values depict the paradigm of our internal and external expectations: Our dealings with members of the organization, our customers, the shareholders and the communities we serve. Our corporate culture is based on these values and serves as a beacon of guidance for all our employees.



Our values are not about what we do or how we do it in fact they are about who we are and why we exist. These values, which fuel our drive to achieve newer milestones at every step of our journey to success are:



SHARIAH COMPLIANCE

We ensure that all business operations and activities are Shariah Compliant. As a Shariah Compliant entity we are also accountable for ensuring that rulings and decisions made by the regulators, Shariah Board and Shariah Advisors are complied with across the organization.

ETHICAL STANDARDS

We practice high ethical standards at work and in our services. Maintaining high ethical standards in the workplace translates in prioritizing the interest of the client, acting with integrity, competence and diligence, and respecting our dealings with the public, clients, prospective clients and colleagues.



PROFESSIONAL EXCELLENCE

Professional excellence is about achieving excellence as an employee. It is at the core of being a “professional.” Ensuring our approach to work and the people we work with – supervisors, colleagues and/or customers – is in a professional and respectful manner.

SERVICE EXCELLENCE

Service excellence is an attitude engrained in every department and employee. From support staff to the CEO, we simply go beyond delivering products and helping customers achieve their financial objectives. It is essential that we provide a unique customer experience by proactively anticipating and exceeding customers’ needs every time. Excellence is a consistent, premium service at every point of contact which is set by our service-oriented tone that drives our company’s strategy at every level.



SOCIAL RESPONSIBILITY

We work in an ethical framework, which suggests that as an entity we have an obligation to act for the benefit of our society at large. We want to contribute towards sustainable development not only through our products but also through the way we conduct business.



Al Meezan
Investment Management Ltd.

VISION



To make

Shariah Compliant Investing

a first choice for investors.

MISSION



To establish **Al Meezan** as a
leading and trusted brand
for savings and investments by offering
innovative Shariah Compliant investment solutions
through ethical conduct, value added services & optimal
returns, while protecting the interest of all stakeholders.

OUR **BRANCH** NETWORK





◆ **FTC Branch, Karachi:**

Ground Floor, Finance and Trade Centre,
Shahrah-e-Faisal, Karachi
Tel: (92-21) 111-633-926, 35630722-26

◆ **Sales Hub, Karachi:**

Banglow # 43-5-E/2, Shah Abdul Latif Road,
PECHS Block 6, Karachi.
Tel: (92-21) 34559262-5

◆ **North Nazimabad Branch, Karachi:**

Shop # G-1, G-2, Ground Floor, Ajwa
Residency, B-1, Block-L, North Nazimabad,
Karachi
Tel: (92-21) 36641491-4

◆ **Bahadurabad Branch, Karachi:**

Shop # 4, Ground floor, Adam Arcade,
B.M.C.H Society, Shaheed-e-Millat Road,
Block #3, Karachi
Tel: (92-21) 34923112-6

◆ **DHA Branch, Karachi:**

Shop # 01 Ground Floor, Sunset Commercial
St-02, Khayaban e Jami, Near Baitussalam
Masjid, Phase IV, D.H.A Karachi.
Tel: (92-21) 35802411-4

◆ **Gulshan-e-Iqbal Branch, Karachi:**

Shop # 02, Ground Floor, Shelozon Center,
Block 15, Gulshan-e-Iqbal Karachi.
Tel: (92-21) 34990491-4

◆ **Site Area Branch, Karachi:**

Shop # 05, plot # B/9-D, Main Estate
Avenue, Site Area Karachi.
Tel: (92-21) 32570051-4

◆ **DHA, Badar Commercial Branch, Karachi:**

Plot # 8C, Shop # 03 , Street # 10, Badar
Commercial, DHA phase V, Karachi.
Tel: (92-21) 35171381-4, 021-37131680-1,
021-37131683-4

◆ **Gulistan-e-Jauhar Branch, Karachi:**

Plot # B11, Shop # 06, Ground Floor, Alam
Shah Bukhari Apartment (Right Opposite
Hilltop Banquet Hall), Block -19,
Gulistan-e-Jauhar, Karachi.
Tel: (92-21) 34187181-84

◆ **Clifton Branch, Karachi:**

Shop # 3, ground Floor, Plot # D-39 , Tabba
Tower Gizri Road, Karachi
Tel: (92-21) 35155219, 021-35155220
021-35155221

◆ **Hyderabad Branch:**

Shop # A-1, 1 & 2, Mezzanine Floor Shifa
Heaven, Main Auto Bhan Road Hyderabad
Tel:(92-22) 3821277-80

◆ **Gulberg Branch, Lahore:**

Ground Floor, Leeds Centre, Gulberg III
Main Boulevard, Lahore
Tel: (92-42) 111-633-926, 042-35783608-12
042-32560548

◆ **DHA Branch, Lahore:**

1st Floor, Meezan Bank T Block Branch, Plot
No. 7, CCA-2, T Block, Phase II, DHA Lahore
Tel: (92-42) 35747060-3, 042-32560125

◆ **Johar Town Branch, Lahore:**

Plot No.39, Block-L, M.A. Johar Town
Scheme, Abdul Haq Road, Lahore
Tel: (92-42) 35290585-6, 042-35290588

◆ **Islamabad Branch:**

Office No 7 Ground Floor, Buland Markaz
Jinnah Avenue Blue Area, Islamabad
Tel: (92-51) 2801471-73

◆ **Rawalpindi Branch:**

Plot # 17, Zubair Plaza, 1st Floor, Chaklala
Scheme III, Main Commercial Area
Rawalpindi Cantt, Rawalpindi
Tel: (92-51) 5766364-6

◆ **Faisalabad Branch (Susan Road) :**

Shop # 27, First Floor Plot # 27, Susan Road
Near Chenab Market Faisalabad
Tel: 041-8503267, 041-8503268
041-8503269, (92-41)5250001

◆ **Peshawar Branch:**

Office No 6-D, Ground Floor, 6 Saddar Road
, Peshawar Cantt, Peshawar
Tel: (92-91) 5271911-14

- ◆ **Multan Branch:**
1st Floor, Meezan Bank Rasheedabad
Chowk Branch, Aneesa Plaza Rasheedabad
Chowk, Khanewal Road Multan.
Tel: (92- 61) 6305911-5
- ◆ **Abbottabad Branch:**
Office No 2, 3rd Floor Zaman Plaza, Near
Ayub Medical Complex, Mansehra Road,
Abbottabad.
Tel: (0992)-414123-24
- ◆ **Gujranwala Branch:**
Ground Floor, 387-A, Model Town,
Gujranwala
Tel: (92-55) 842205-8
- ◆ **Swat Branch:**
Mezzanine Floor, Sultan e Room Plaza,
Main G.T Road, Mingora Swat
Tel: (92-946) 714023-6

Sialkot Branch: ◆
Second floor Meezan Bank, Qayum plaza,
Aziz Shaheed Road, Sialkot Cant, Sialkot
Tel: (92-52) 4290460-2

Gujrat Branch: ◆
P-1037, Ground Floor, G.T Road,
IX Block, Gujrat
Tel: (92-53) 3724766-67

Bahawalpur Branch: ◆
Shop # 27, Ground Floor Liberty Square,
Fuji Basti Chowk, Airport Road,
Bahawalpur Cantt
Tel: (92-301) 1121912

Quetta Branch: ◆
1st floor Mega Trade Center, Ward No.18,
Tappa Urban No.1, Shahrah-e-iqbal,
Manan Chowk, Tehsil & District Quetta
Tel: (92-81) 2824156-58





DIRECTORS' REPORT – FUNDS UNDER MANAGEMENT COMPANY

The Board of Directors of Al Meezan Investment Management Limited is pleased to present the financial statements of the following open-end funds and a voluntary pension scheme for the period ended December 31, 2021.

Equity Funds

- Meezan Islamic Fund
- Al Meezan Mutual Fund
- KSE-Meezan Index Fund
- Meezan Pakistan Exchange Traded Fund
- Meezan Dedicated Equity Fund

Sector Specific Fund

- Meezan Energy Fund

Income Funds

- Meezan Islamic Income Fund
- Meezan Sovereign Fund
- Meezan Daily Income Fund

Money Market Fund

- Meezan Cash Fund
- Meezan Rozana Amdani Fund

Balanced Fund

- Meezan Balanced Fund

Funds of Funds

- Meezan Financial Planning Fund of Fund
- Meezan Strategic Allocation Fund
- Meezan Strategic Allocation Fund-II
- Meezan Strategic Allocation Fund-III

Commodity Fund

- Meezan Gold Fund

Asset Allocation Fund

- Meezan Asset Allocation Fund (MAAF)

Pension Fund

- Meezan Tahaffuz Pension Fund

Economic Review

Growth in Pakistan's economy found a strong footing during the first half of FY22, thanks to the monetary and fiscal stimulus measures initiated by the SBP & Government during FY21. The Agriculture and Services sector has rebounded strongly, as the negative effects of the pandemic are waning. Thus, GDP growth in FY22 is projected to clock in between 4.0-4.5%. However, external accounts imbalances have also emerged amid multiyear high global commodity prices and rebounding domestic demand – which have swelled monthly imports to record levels. This has set forth earlier-than-expected monetary tightening, which is being complemented by higher taxation measure through a Mini-Budget, to moderate the pace of domestic demand. As a result, by the end of second quarter of FY22, some high-frequency indicators such as sales of petroleum, commercial vehicles and cement have started to lose their growth momentum. The National Accounts Committee (NAC) has reviewed the change of base of National Accounts from Fiscal Year 2006 to Fiscal Year 2016. With this revision, the final estimates of GDP growth of Fiscal Year 2021 came out to be 5.6%. Due to new base year, the Per Capita Income for FY21 increased to USD 1,666. In dollar terms, the size of the economy reached to USD 347 billion from USD 298 billion earlier. The public debt to GDP ratio has reduced to 72% from 84%, fiscal deficit has improved by 1% to 6.1%; however, tax to GDP has worsened to 9.5% vs 11% for FY21.

During the first half of FY22, inflation averaged 9.8% YoY from 8.6% during the same period last year, remaining within the SBP's revised projected range of 9.0%-11.0% for FY22. Core inflation readings remained soft around 7.1% during the period, which indicates that demand-side pressures in the economy remained under control. However, the SBP increased the policy rate by 275bps to 9.75%, in order to reign in the widening current account deficit, counter rising inflationary pressures and ensure that growth remains sustainable. On the positive side, the Monetary Policy Committee (MPC) felt that the current real interest rates on a forward-looking basis are appropriate to guide FY23 inflation to the medium-term range of 5.0-7.0%, support growth, and maintain external stability. Thus, implying modest rate hike during the second half of FY22, if any fine tuning of monetary policy setting is required. Introduction of longer tenure Open Market Operations (OMO) was also instrumental in aligning market expectation with the said guidance, thus bringing down fixed income yields.

The Current Account Deficit (CAD) swelled to USD 9.1 billion during July-December 2021 from a surplus of USD 1.2 billion during same period last year. While Remittances and Exports sustained the upward trajectory during the first half of FY22, rising 11% YoY and 29% respectively; it was the staggering 57% YoY increase in Imports that worsened the Current Account balance. Apart from a sharp increase in international commodity prices, some one-offs such as import of vaccines, TERF related machinery imports and wheat imports also contributed towards the surge in imports. Due to rising pressure on the external account, the PKR depreciated by about 12% against the USD during the first half of FY22 and closed at a level of 176.5/USD by end of December 2021. Foreign exchange reserves of SBP increased marginally during the first half to USD 17.7 billion at December 2021 from USD 17.3 billion at the end of June 2021, resulting in lower import cover due to higher monthly imports than at the start of FY22.

The fiscal side seemed more promising, where FBR tax collection surged 32% YoY to PKR 2.92 trillion during the first half of FY22, majorly led by an overall rebounding economy, significantly higher imports, which contributed 52% of the collection. Meanwhile, there has been minimal slippages on the expenditure side; the development expenditure remains moderate as hitherto the government has smartly incentivized the private sector to lead construction activity. Pakistan government targets to further improve its fiscal performance in FY22, which will be corroborated by the resumption of IMF EFF program following tough negotiations between the government and IMF during the second quarter. This should enable Pakistan to

resume the reforms, disrupted by Covid, and retain Pakistan on a sustainable growth path. The Finance Minister in particular has expressed his resolve to continue the program, even if it entails tough measures. Many tax exemptions have been removed in the supplementary finance bill, in order to broaden the tax base and achieve higher revenue collection in future.

Money Market Review

During the period under view, the central bank raised the policy rate by a cumulative 275bps to 9.75% to put some restraints on the overheated economy and to control the depreciating rupee. Due to hike in policy rate, T-bill yields rose in the range of 300bps to 380bps whereas longer tenor PIB yields showed an upward trend in the range of 168 bps to 250bps. At the end of period, 3, 6 and 12 months T-bill closed at 10.35%, 11.30% and 11.38% respectively. On the other hand, PIB yields stood at 11.42% (3 Years), 11.46% (5 Years) and 11.62% (10 Years). After the last decline in the policy rate during June 2020, the SBP had kept the policy rate unchanged at 7.0% for more than a year in six consecutive monetary policies. For FY22, SBP is now projecting inflation to remain in the range of 9-11%, up from the earlier expectation of 7-9% due to broad based rise in food, electricity and motor fuel.

During the 1HFY22, KIBOR rates witnessed an increase in the range of 300 bps to 380 bps, whereby 3-months, 6-months and 12-months KIBOR rates were up by 309bps, 377bps and 372bps, clocking in at 10.54%, 11.46% and 11.80%, respectively. On the other hand, in the secondary market, both T-bills and PIB yields also showed an upward trend. On the liquidity front, the money market remained stable due to continuous Open Market operations (OMO) injections from SBP, where the Central Bank ensured that the overnight money market remains close to the policy rate. During 1HFY22 so far, SBP borrowed Rs. 7.73 trillion through T-Bills against the maturity of Rs. 8.60 trillion. On the other hand, SBP accepted Rs. 1.1 trillion through long term PIBs (Fixed + Floater) against the maturity of Rs. 1.1 trillion. On the Shariah Compliant instrument front, GoP Ijarah prices also showed downward trend in prices due to sharp increase in interest rates. The table below summarizes details of Ijarah/Sukuk:

Ijarah	Type	Coupon	Next Reset	Issue Size (bn)	Maturity	Reval			Change
						30-Jun	31-Dec	YTM	
XX	Floater	7.53%	30-Apr-22	76.39	30-Apr-25	97.12	96.49	11.46%	-0.63
XXI	Floater	10.10%	29-May-22	74.62	29-May-25	100.63	100.18	11.04%	-0.45
XXII	Floater	7.47%	24-Dec-21	47.24	24-Jun-25	100.60	100.18	11.25%	-0.42
XXIII	Floater	7.32%	29-Jan-22	186.91	29-Jul-25	100.50	100.02	11.07%	-0.48
XXIV	Floater	10.96%	09-Jun-22	227.26	09-Dec-25	100.92	100.18	11.26%	-0.74
XXV	Floater	7.85%	06-Apr-22	190.53	09-Oct-26	N/A	99.13	11.09%	-0.87*
XXVI	Floater	8.70%	29-Apr-22	361.25	29-Oct-26	N/A	99.38	11.23%	-0.62*
PES I	Floater	8.34%	01-Mar-22	200.00	01-Mar-29	106.75	106.75	10.80%	0.00
PES II	Floater	9.06%	21-May-22	199.97	21-May-30	100.80	101.50	10.98%	0.70
Total				1,564.16					

Ijarah	Type	Coupon	Next Reset	Issue Size (bn)	Maturity	Reval			Change
						30-Jun	31-Dec	YTM	
XXIII	Fixed	8.37%	N/A	44.60	29-Jul-25	99.48	96.00	9.73%	-3.48
XXIV	Fixed	9.45%	N/A	8.25	20-Jan-26	101.23	97.00	10.38%	-4.23
XXV	Fixed	9.70%	N/A	12.73	09-Oct-26	N/A	97.83	10.28%	-2.17*
XXVI	Fixed	11.40%	N/A	68.00	15-Dec-26	N/A	100.96	11.14%	0.96*
Total				133.58					

*As compared to issues price of Rs. 100/Unit.

The central bank continued to conduct the GoP Ijarah auctions. The market participants welcomed the auctions with heavy participation in all the auctions. During the period under review, the central bank borrowed Rs. 641 bn from Islamic participants by issuing floating rate as well as fixed rate Ijarahs. As the issues related to availability of assets to be used or issuing Ijarah/Sukuk were resolved, the central bank conducted regular Ijarah auctions to taper excess liquidity with Islamic Banks. The corporate sector continued facing some challenges in raising money through long tenor Sukuk, however, an increase in the issuance of shorter tenor instruments was witnessed which played a crucial role in absorbing some portion of excess liquidity available with Islamic institutions.

Equity Review

During first half of FY22, the stock market remained under pressure with the KMI-30 index shedding 6.4% to close at 71,687 points, while the KSE-100 index dropped by 5.8%, to reach at 44,596 points. The combination of a challenging macroeconomic backdrop and emerging political uncertainties dampened investor sentiments, while the market de-rated to multi-year low valuations. This was exacerbated by heavy foreign selling, triggered by the outflows due to MSCI downgrading status of Pakistan from Emerging Market (EM) to Frontier Market (FM) index. Net foreign selling amounted to USD 250 million during 1HFY22, concentrated mainly in November. On the positive side, corporate earnings came in largely above consensus market expectations, while dividend payouts also staged a healthy rebound. The KSE-100 touched its peak level of the period in late-August, at 48,112 points, but the aforementioned factors caused a course reversal.

A fourth wave of Covid-19, led by the highly virulent Delta variant, took hold in Pakistan taking positivity ratio to 10% at peak. However, this phase was also well managed by the government with proactive restrictions and ramping up of vaccination. Active cases thus declined substantially to around 10k level at December end, with infection ratio declining to around 1%. Another variant, Omicron emerged towards the end of the period; it has proved more transmissible than the Delta variant, but much less severe. Total volumes traded in the KMI-30 index stocks dipped by 68% YoY to 51 million shares, while volumes in the KSE-100 index stocks fell 52% to 128 million shares. Meanwhile, the thinning liquidity contributed to further de-rating of market valuations –around 4.9x forward P/E, which is well below the historical mean level of about 8.3x – but in turn making the market more attractive for fresh investments.

The recent downgrade from MSCI EM seem to mark the end of a long spell of heavy foreign selling since 2015. This removes a major impediment to market's rise in recent years. Given the higher weights in FM, at least the visibility of Pakistan will improve substantially. However, capital outflows from emerging countries can continue amid weak economic recovery due to new Covid variants and strengthening US dollar ahead of monetary tightening by the US Fed. This makes the return of foreign investment in Pakistani stocks look less probable in the near term.

With external account pressure building up due to rising current account deficit during the first half, PKR witnessed hefty devaluation of around 12% versus USD, while the SBP also reversed its accommodative monetary policy stance, in place since the advent of Covid-19, by raising policy rate by 275bps to 9.75%. The goal of this decision is to counter inflationary pressures and ensure that growth remains sustainable. The Monetary Policy Committee felt that the end goal of mildly positive real interest rates on a forward-looking basis was now close to being achieved. Overall, growth in FY22 is expected around 4.5%, slightly lower than previous expectations in light of moderating demand indicators and higher base effects from the upward revision in last year's growth rate. Corporate profitability also witnessed a healthy surge in June and September 2021 results, with decent cash payouts as well. The allure of equities over the fixed income asset class remains; this is depicted by the substantial difference between the market's earnings yield and the yield on benchmark government securities despite the recent rise in fixed income yields.

On the global front, MSCI EM Index was under pressure during the first half of FY22 despite continued inflows into the EMs with the index losing 10% in USD terms during the period; however, the MSCI World Index posted a 7% rise during the period as investors preferred developed markets over EMs. Unabated rise in energy prices and unprecedented supply disruptions are expected to keep major EM and DM economies under stress as inflationary pressure mount. International oil prices continued to rise with Brent surging by 4% during first half of FY22 on the back of supply shortages and staggered rise in production level by OPEC+. Brent crude ended the period at USD 77.8 per barrel.

Major contributors to the Index:

Among the key sectors, Commercial Banks, Technology and Fertilizer were the best performing sectors. The top contributing stocks in the KMI-30 index during first half of FY22 were:

Major Positive Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Systems Ltd	1,284	34.51
Meezan Bank Ltd	1,177	36.06
Engro Fertilizers Ltd	635	19.35
Mari Petroleum Co Ltd	387	12.47

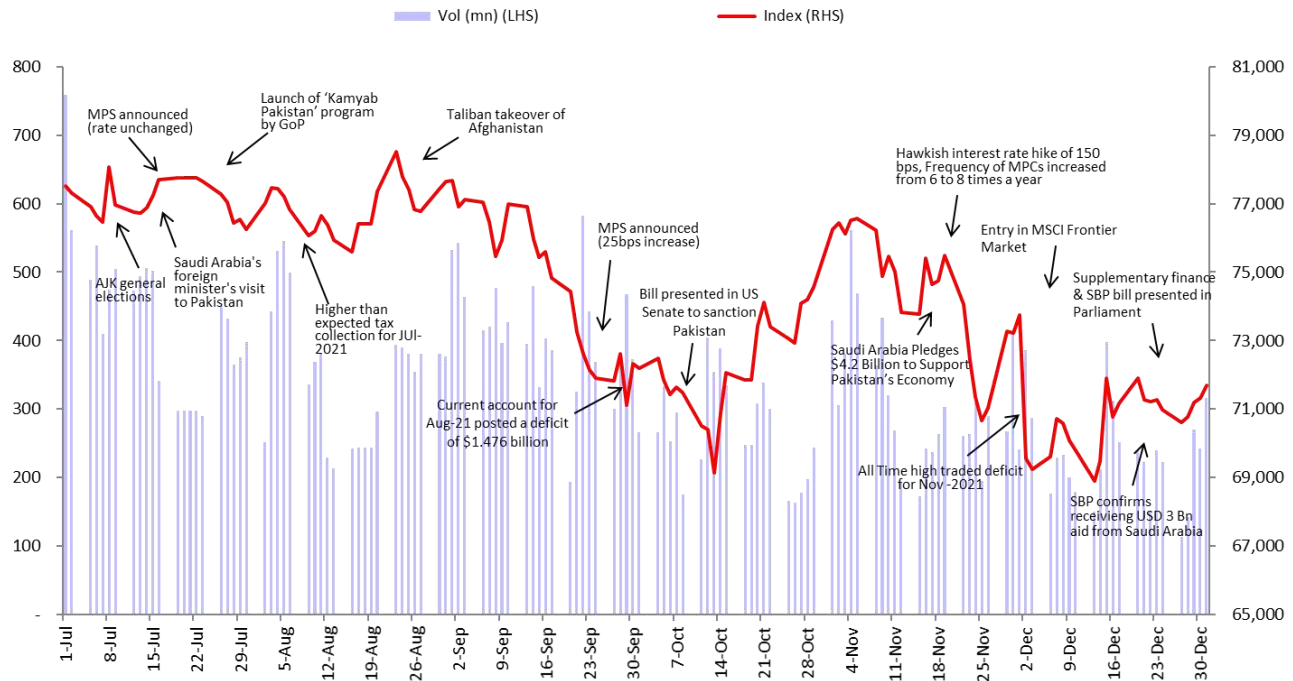
On the flip side, Refineries, Oil & Gas Marketing, Engineering and Cement sectors were amongst the key worst performing sectors. The key laggards in the KMI-30 index during the period were:

Major Negative Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Lucky Cement Ltd	-1,902	-23.50
Unity Foods Ltd	-853	-42.15
DG Khan Cement Co Ltd	-637	-30.25
Pakistan State Oil Co Ltd	-555	-14.93

Equity Flows

Foreigners again remained net sellers during the first half of FY22, generating a total net outflow of around USD 250 million. Foreign sell off was mainly concentrated in the Commercial Banking (USD 141 million), Cement (USD 48 million) and Fertilizer sector (USD 47 million). In line with trends recently, Individuals continued to support the market with fresh inflows of USD 72 million. This was followed by significant net buying by Insurance and Companies of USD 66 million and USD 60 million, respectively. Broker Proprietary book remained seller of stocks with a total net outflow of USD 12 million worth of securities. Mutual Funds activity remained subdued with marginal net selling of USD 11 million.

The following graph shows the movement of the KMI-30 during the period and key driving factors:



Mutual Fund Industry Review

During the six months of FY22, AUMs of the Mutual Funds industry increased by 7.2% to Rs. 1,125 bn. Shariah Compliant AUMs declined by 1.2% to Rs. 434 bn as money market Shariah compliant funds struggled to compete with their conventional counterparts in a rising interest rate scenario. The share of Shariah Compliant funds in the industry declined by 4.3% from a high 42.85% recorded about a year ago. Al Meezan's share in the Mutual Funds industry stood at 15.4%; while amongst the Shariah Compliant Funds, its share stood at 39.8% as of December 31, 2021. Meezan Tahaffuz Pension Fund market share in the Pension Fund category stood at 34.6% while amongst the Shariah Compliant VPS, it held 52.8% market share as on December 31, 2021.

Performance Review (Funds)

The table provided below depicts a summary of 1HFY22 performance of funds under our management:

Funds	Type	Net Assets Rs. in millions	Growth in Net Assets for 1HFY22 (%)	Returns for 1HFY22 (%)	Benchmark for 1HFY22 (%)	
Equity Funds						
Al Meezan Mutual Fund (AMMF)	Equity	5,050	2.69	-3.07	-6.44	
Meezan Islamic Fund (MIF)	Equity	30,479	-11.07	-2.95	-6.44	
KSE Meezan Index Fund (KMIF)	Equity	2,764	2.50	-6.38	-6.44	
Meezan Energy Fund (MEF)	Equity	507	-13.20	-6.67	-6.44	
Meezan Dedicated Equity Fund (MDEF)	Equity	870	-14.31	-5.47	-6.44	
Fixed Income Funds						
Meezan Islamic Income Fund (MIIF)	Income	25,442	-6.62	7.42	3.13	
Meezan Cash Fund (MCF)	Money Market	13,229	-2.42	7.40	3.24	
Meezan Sovereign Fund (MSF)	Income	8,989	-9.56	7.89	3.13	
Meezan Daily Income Fund (MDIP-1)*	Income	13,165	-	8.32	3.14	
Meezan Rozana Amdani Fund (MRAF)	Money Market	52,449	-29.79	7.98	3.24	
Balanced Fund						
Meezan Balanced Fund (MBF)	Balanced	4,340	-7.93	-0.87	-2.29	
Exchange Traded						
Meezan Pakistan Exchange Traded Fund (MZNP-ETF)	Exchange Traded	88	124.80	-14.92	-14.46	
Fund of Funds						
Meezan Financial Planning Fund of Fund						
Aggressive	Fund of Fund	337	-3.13	0.12	-4.41	
Moderate		119	-18.76	2.47	-2.46	
Conservative		227	1.18	2.71	-0.46	
MAAP-I		99	-36.87	2.83	-4.60	
Meezan Strategic Allocation Fund						
MSAP-I		519	-23.02	-0.59	-4.47	
MSAP-II		387	-14.53	-1.12	-4.60	
MSAP-III		339	-32.22	-1.65	-4.51	
MSAP-IV		160	-24.95	-0.92	-4.59	
MSAP-V		58	-8.04	-1.94	-4.63	
MSAP-MCPP-III		228	-13.81	2.50	0.13	
Meezan Strategic Allocation Fund - II						
MSAP-II -MCPPIV		723	-5.66	0.12	-1.94	
MSAP-II -MCPPIV		85	-10.31	2.73	0.31	
MSAP-II -MCPPIV	82	-11.90	4.13	1.63		
MSAP-II -MCPPIV	98	-6.37	3.07	0.95		
Meezan Strategic Allocation Fund - III						
MSAP-II -MCPPIV	96	-4.05	-0.26	-1.93		
Commodity Fund						
Meezan Gold Fund (MGF)	Commodity	601	23.31	13.05	11.19	
Asset Allocation Fund						
Meezan Asset Allocation Fund (MAAF)	Asset Allocation	1,395	-16.60	-7.31	-5.34	
Pension Fund Scheme						
Meezan Tahaffuz Pension Fund	Pension Fund Scheme					
Equity sub Fund		5,171	-6.18	-2.60		
Debt sub Fund		4,582	5.71	7.06		
Money Market sub Fund		3,593	6.32	6.52		
Gold Sub Fund		135	-0.31	12.42		

* Launched Sep 13, 2021



Meezan Islamic Fund

The net assets of Meezan Islamic Fund (MIF) as at December 31, 2021 stood at Rs. 30,479 million compared to Rs. 34,274 million at the end of June 30, 2021, a decrease of 11%. The net asset value (NAV) per unit as at December 31, 2021 was Rs. 61.5067 in comparison to Rs. 63.3761 per unit as on June 30, 2021 translating into negative return of 2.95% during the period compared to the benchmark return of KSE Meezan Index (KMI 30) which decreased by 6.44%.

Al Meezan Mutual Fund

The net assets of Al Meezan Mutual Fund (AMMF) as at December 31, 2021 were Rs. 5,050 million compared to Rs. 4,918 million at the end of June 30, 2021, an increase of 3%. The net asset value (NAV) per unit as at December 31, 2021 was Rs. 17.1053 compared to Rs. 17.6466 per unit on June 30, 2021 translating into negative return of 3.07% during the period compared to the benchmark return of KSE Meezan Index (KMI 30) which decreased by 6.44%.

KSE Meezan Index Fund

The net assets of KSE Meezan Index Fund (KMIF) as at December 31, 2021 were Rs. 2,764 million compared to Rs. 2,697 million at June 30, 2021, an increase of 3%. The net asset value (NAV) per unit at December 31, 2021 was Rs. 68.2216 as compared to Rs. 72.8711 per unit on June 30, 2021 translating into a negative return of 6.38% during the period compared to the benchmark return of KSE Meezan Index (KMI 30) which decreased by 6.44%.

Meezan Dedicated Equity Fund

The net assets of Meezan Dedicated Equity Fund (MDEF) as at December 31, 2021 were Rs. 870 million compared to Rs. 1,015 million at June 30, 2021, a decrease of 14%. The net asset value per unit (NAV) at December 31, 2021 was Rs. 44.3419 as compared to Rs. 46.9066 per unit on June 30, 2021 translating into a negative return of 5.47% during the period compared to the benchmark return of KSE Meezan Index (KMI 30) which decreased by 6.44%.

Meezan Energy Fund

The net assets of Meezan Energy Fund (MEF) as at December 31, 2021 were Rs. 507 million compared to Rs. 584 million in June 2021, a decrease of 13%. The net asset value (NAV) per unit as at December 31, 2021 was Rs. 32.0109 as compared to Rs. 34.2992 per unit on June 30, 2021, translating into a negative return of 6.67% during the period compared to the benchmark return of KSE Meezan Index (KMI 30) which decreased by 6.44%.

Meezan Pakistan Exchange Traded Fund

The net assets of Meezan Pakistan Exchange Traded Fund (MPETF) as at December 31, 2021 were Rs. 88 million compared to Rs. 39 million in June 2021, an increase of 125%. The net asset value (NAV) per unit as at December 31, 2021 was Rs. 8.7964 per unit as compared to Rs. 10.3387 translating into a negative return of 14.92% during the period compared to the benchmark return of MZNPI which decreased by 14.46%.

Meezan Asset Allocation Fund

The net assets of Meezan Asset Allocation Fund (MAAF) as at December 31, 2021 were Rs. 1,395 million compared to Rs. 1,672 million at June 30, 2021, a decrease of 17%. The net asset value (NAV) per unit as at December 31, 2021 was Rs. 45.8449 as compared to Rs. 49.4600 per unit on June 30, 2021 translating into a negative return of 7.31% during the period compared to the benchmark return which decreased by 5.34%.



Meezan Islamic Income Fund

The net assets of Meezan Islamic Income Fund (MIIF) as at December 31, 2021 were Rs. 25,442 million compared to Rs. 27,246 million at June 30, 2021, a decrease of 7%. The net asset value (NAV) per unit as at December 31, 2021 was Rs. 53.3998 compared to Rs. 51.4736 per unit on June 30, 2021 translating into an annualized return of 7.42% compared to the benchmark annualized return of 3.13%. At period end, the fund was 15% invested in Islamic Corporate Sukuks, 5% in Commercial Papers, 47% in GoP Ijarah / Govt. Guaranteed Sukuks, 2% in Certificate of Musharaka and 30% of the net assets were placed with Islamic Banks or windows of Islamic banks.

Meezan Sovereign Fund

The net assets of Meezan Sovereign Fund (MSF) as at December 31, 2021 were Rs. 8,989 million compared to Rs. 9,939 million at June 30, 2021, a decrease of 10%. The net asset value (NAV) per unit at December 31, 2021 was Rs. 53.6451 as compared to Rs. 51.5918 per unit on June 30, 2021 translating into an annualized return of 7.89% compared to the benchmark annualized return of 3.13%. At period end, the fund was 86% invested in GoP Ijarah/Govt. Guaranteed Sukuks, and 12% of the net assets were placed with Islamic Banks or windows of Islamic banks.

Meezan Cash Fund

The net assets of Meezan Cash Fund (MCF) at December 31, 2021 were Rs. 13,229 million compared to Rs. 13,557 million at June 30, 2021, a decline of 2%. The net asset value (NAV) per unit at December 31, 2021 was Rs. 52.4225 as compared to Rs. 50.5379 on June 30, 2021 translating into an annualized return of 7.40% as compared to the benchmark annualized return of 3.24%. At period end 10% of the fund was placed in Term Deposit Receipts, 2% of the fund was placed in Commercial Papers and 83% of the net assets were placed with Islamic Banks or windows of Islamic banks.

Meezan Rozana Amdani Fund

The net assets of Meezan Rozana Amdani Fund (MRAF) at December 31, 2021 were Rs. 52,449 million compared to Rs. 74,704 million at June 30, 2021, a decline of 30%. The net asset value (NAV) per unit at December 31, 2021 was Rs. 50.0000. During the period fund provides an annualized return of 7.98% as compared to the benchmark annualized return of 3.24%. At period end 12% of the fund was placed in Term Deposit Receipts, 5% in Commercial Papers, 1% in Islamic Corporate Sukuks, and 81% of the net assets were placed with Islamic Banks or windows of Islamic banks.

Meezan Daily Income Fund

Meezan Daily Income Fund – MDIP – I

Meezan Daily Income Fund – MDIP – I was launched on September 13, 2021. The net assets of the plan at December 31, 2021 were Rs. 13,165. The net asset value (NAV) per unit at December 31, 2021 was Rs. 50.0000. During the period plan provides an annualized return of 8.32% as compared to the benchmark annualized return of 3.14%. At period end, the plan was 4% invested in Islamic Corporate Sukuks, 5% in Commercial Papers, 18% of the fund was placed in Term Deposit Receipts, 72% of the net assets were placed with Islamic Banks or windows of Islamic banks.

Meezan Balanced Fund

The net assets of Meezan Balanced Fund (MBF) as at December 31, 2021 were Rs. 4,340 million compared to Rs. 4,713 million at June 30, 2021, a decrease of 8%. The net asset value (NAV) per unit as at December



31, 2021 was Rs. 16.0597 as compared to Rs. 16.2002 per unit on June 30, 2021 translating into a negative return of 0.87% during the period compared to the benchmark return which decreased by 2.29%.

Meezan Financial Planning Fund of Funds

Aggressive Allocation Plan

The net assets of the plan were Rs. 337 million as at December 31, 2021 compared to Rs. 348 million at June 30, 2021. The plan provided a return of 0.12% during the period compared to the benchmark return which decreased by 4.41%.

Moderate Allocation Plan

The net assets of the plan were Rs. 119 million as at December 31, 2021 compared to Rs. 146 million at June 30, 2021. The plan provided a return of 2.47% during the period compared to the benchmark return which decreased by 2.46%.

Conservative Allocation Plan

The net assets of the plan as at December 31, 2021 were Rs. 227 million compared to Rs. 224 million at June 30, 2021. The plan provided a return of 2.71% during the period compared to the benchmark return which decreased by 0.46%.

Meezan Asset Allocation Plan-I

The net assets of the plan as at December 31, 2021 were Rs. 99 million compared to Rs. 156 million at June 30, 2021. The plan provided a return of 2.83% during the period compared to the benchmark return which decreased by 4.60%.

Meezan Strategic Allocation Fund

Meezan Strategic Allocation Plan-I

The net assets of the plan as at December 31, 2021 were Rs. 519 million compared to 674 million at June 30, 2021. The plan provided a negative return of 0.59% during the period compared to the benchmark return which decreased by 4.47%.

Meezan Strategic Allocation Plan-II

The net assets of the plan as at December 31, 2021 were Rs. 387 million compared to Rs. 452 million at June 30, 2021. The plan provided a negative return of 1.12% during the period compared to the benchmark return which decreased by 4.60%.

Meezan Strategic Allocation Plan-III

The net assets of the plan as at December 31, 2021 were Rs. 339 million compared to Rs. 501 million at June 30, 2021. The plan provided a negative return of 1.65% during the period compared to the benchmark return which decreased by 4.51%.

Meezan Strategic Allocation Plan-IV

The net assets of the plan as at December 31, 2021 were Rs. 160 million compared to Rs. 213 million at June 30, 2021. The plan provided a negative return of 0.92% during the period compared to the benchmark return which decreased by 4.59%.



Meezan Strategic Allocation Plan-V

The net assets of the plan as at December 31, 2021 were Rs. 58 million compared to Rs. 63 million at June 30, 2021. The plan provided a negative return of 1.94% during the period compared to the benchmark return which decreased by 4.63%.

Meezan Capital Preservation Plan-III

The net assets of the plan as at December 31, 2021 were Rs. 228 million compared to Rs. 265 million at June 30, 2021. The plan provided a return of 2.5% during the period compared to the benchmark return of 0.13%.

Meezan Strategic Allocation Fund -II

Meezan Capital Preservation Plan-IV

The net assets of the plan as at December 31, 2021 were Rs. 723 million compared to Rs. 767 million at June 30, 2021. The plan provided a return of 0.12% during the period compared to the benchmark return which decreased by 1.94%.

Meezan Capital Preservation Plan-V

The net assets of the plan as at December 31, 2021 were Rs. 85 million compared to Rs. 94 million at June 30, 2021. The plan provided a return of 2.73% during the period compared to the benchmark return of 0.31%.

Meezan Capital Preservation Plan-VI

The net assets of the plan as at December 31, 2021 were Rs. 82 million compared to Rs. 93 million at June 30, 2021. The plan provided a return of 4.13% during the period compared to the benchmark return of 1.63%.

Meezan Capital Preservation Plan-VII

The net assets of the plan as at December 31, 2021 were Rs. 98 million compared to Rs. 104 million at June 30, 2021. The plan provided a return of 3.07% during the period compared to the benchmark return of 0.95%.

Meezan Capital Preservation Plan-VIII

The plan was matured on August 27, 2021.

Meezan Strategic Allocation Fund -III

Meezan Capital Preservation Plan-IX

The net assets of the plan as at December 31, 2021 were Rs. 96 million compared to Rs. 100 million at June 30, 2021. The plan provided a negative return of 0.26% during the period compared to the benchmark return which decreased by 1.93%.

Meezan Gold Fund (MGF)

The net assets of the fund as at December 31, 2021 were 601 million compared to Rs. 488 million at June 30, 2021, an increase of 23%. The net asset value (NAV) per unit at December 31, 2021 was Rs. 94.5529 as compared to Rs. 83.6357 per unit on June 30, 2021 translating into a return of 13.05% during the period compared to the benchmark negative return of 11.19%.



Meezan Tahaffuz Pension Fund (MTPF)

MTPF comprises of four sub-funds, namely Equity sub-fund, Debt sub-fund, Money Market sub-fund and Gold sub-fund. For the period ended December 31, 2021, the equity sub-fund provided a negative return of 2.6% and gold sub-fund provided a return of 12.42%, while the debt and money market sub-funds provided annualized returns of 7.06% and 6.52% respectively. Performance review for each sub fund is given as under:

Equity Sub Fund

The net assets of this sub fund stood at Rs. 5,171 million at December 31, 2021 compared to Rs. 5,511 million at June 30, 2021, a decrease of 6%. The net asset value (NAV) per unit of the plan was Rs. 525.0590 at the end of December 31, 2021 as compare to Rs. 539.0946 as at June 30, 2021.

Debt Sub Fund

The net assets of this sub fund stood at Rs. 4,582 million at December 31, 2021 compared to Rs. 4,334 million at June 30, 2021, an increase of 6%. The net asset value per (NAV) unit of the plan was Rs. 291.2406 at the end of December 31, 2021 as compare to Rs. 281.2267 as at June 30, 2021.

Money Market Sub Fund

The net assets of this sub fund stood at Rs. 3,593 million at December 31, 2021 compared to Rs. 3,379 million at June 30, 2021, an increase of 2%. The net asset value (NAV) per unit of the plan was Rs. 279.6043 at the end of December 31, 2021 as compare to Rs. 270.7037 as at June 30, 2021.

Gold Sub Fund

The net assets of this sub fund stood at Rs. 135 million at December 31, 2021 compared to Rs. 135 million at June 30, 2021. The net asset value (NAV) per unit of the plan was Rs. 178.7059 at the end of December 31, 2021 as compare to Rs. 158.9588 as at June 30, 2021.

Outlook

Key economic indicators along with impressive growth in FBR revenues shows that government is likely to achieve 4.0-4.5% GDP growth for FY22. With expected hike in utility tariff & petroleum levy, we expect inflation to remain on higher end of SBP's revised projection of 9-11% for FY22. MPC was of the view that current real interest rates on a forward-looking basis in FY23 are appropriate to guide inflation to the medium-term range of 5-7%, support growth, and maintain external stability. If any fine-tuning of monetary policy settings is required, the MPC expected that any change would be relatively modest. Going ahead, the current account deficit is expected to decline through the remainder of FY22, as import growth slows in response to a normalization of global commodity prices and the fuller impact of demand-moderating measures. The flexible exchange rate has appropriately played its role as a shock absorber, it is important that its role be complemented by strong exports, targeted measures to curb nonessential imports, and appropriate macroeconomic policy settings to contain import growth.

In order to facilitate and improve the Islamic side of the money market, the SBP has decided to introduce Shariah Compliant Modaraba based OMO Injections and Financing facility. In addition to facilitating the Islamic money market, this move will also provide the central bank with an additional borrowing avenue. Going forward, Sukuk issuances are expected to continue as the government is adamant to increase the share of Islamic debt in the overall domestic debt. Furthermore, we also expect the corporate sector to continue raising funds through Sukuk and Islamic Commercial Papers.



For the equity market, we expect the positive outlook to continue on the back of robust corporate earnings growth and very attractive valuation. While there are some concerns emerging on the external side due to high trade deficit in recent months and transition phase in Afghanistan. In order to avoid the boom-bust cycle witnessed in the past, the central bank has appropriately taken preemptive measures to stabilize the economy. Tough measures to address structural flaws are gradually being taken by the government. External account concerns are likely to be addressed to a large extent with resumption of IMF program as it will enable Pakistan to issue global bonds. Market valuation is at extremely attractive level with P/E of 4.9x compared to its long-term average P/E of 8.3x.

Acknowledgement

We take this opportunity to thank our valued investors for reposing their faith in Al Meezan Investments, the largest asset management company in Pakistan. We also thank the regulator, the Securities and Exchange Commission of Pakistan and our Trustee, the Central Depository Company of Pakistan for their support. Likewise, we would like to thank the members of the Shariah Supervisory Board of Meezan Bank for their continued assistance and support on Shariah aspects of fund management.

For and on behalf of the Board

Chief Executive Officer
Date: February 14, 2022

Director

ڈائریکٹرز رپورٹ میںجمنٹ کمپنی کے زیر انتظام فنڈز

المیزان انوسٹمنٹ مینجمنٹ لمیٹڈ کا بورڈ آف ڈائریکٹرز 31 دسمبر 2021 کو اختتام پذیر ہونے والی مدت کے لئے درج ذیل اوپن اینڈ فنڈز اور والیٹری پنشن اسکیم کے مالیاتی گوشوارے پیش کرتے ہوئے دلی مسرت محسوس کر رہا ہے۔

ایکویٹی فنڈز

میزان اسلامک فنڈ

المیزان میوچل فنڈ

کے ایس ای۔ میزان انڈیکس فنڈ

میزان پاکستان ایکس چینج ٹریڈڈ فنڈ

میزان ڈیڈ ویکیٹڈ ایکویٹی فنڈ

سیکڑ اسپیسفک فنڈ

میزان انرجی فنڈ

انکم فنڈز

میزان اسلامک انکم فنڈ

میزان سوورن فنڈ

میزان ڈیلی انکم فنڈ

منی مارکیٹ فنڈ

میزان کیش فنڈ

میزان روزانہ آمدنی فنڈ

بیلنسڈ فنڈ

میزان بیلنسڈ فنڈ

فنڈز آف فنڈز

میزان فنانشل پلاننگ فنڈ آف فنڈز

میزان اسٹریٹجک ایلوکیشن فنڈ

میزان اسٹریٹجک ایلوکیشن فنڈ-II

میزان اسٹریٹجک ایلوکیشن فنڈ-III

کموڈٹی فنڈ

میزان گولڈ فنڈ

ایسیٹ ایلوکیشن فنڈ

میزان ایسیٹ ایلوکیشن فنڈ

پنشن فنڈ

میزان تحفظ پنشن فنڈ

اقتصادی جائزہ

مالی سال 2022 کی پہلی ششماہی کے دوران پاکستان کی معیشت کو قدم جمانے کا موقع ملا جس کا سبب مالی سال 2021 میں حکومت اور اسٹیٹ بینک آف پاکستان کی جانب سے اقتصادی تحریک دلانے والے اقدامات ہیں۔ عالمی وباء کے اثرات معدوم ہونے کے باعث زراعت اور خدمات کے سیکٹروں نے دوبارہ استحکام حاصل کیا ہے لہذا تخمینہ لگایا گیا ہے کہ مالی سال 2022 کے دوران جی ڈی پی (خام قومی پیداوار) کی شرح 4.0% تا 4.5% تک پہنچے گی۔ تاہم کثیرتہوں والی اشیائے صرف کی قیمتوں میں دنیا بھر میں اضافے اور اندرون ملک طلب کی زیادتی، جس نے ماہانہ درآمدات کو ریکارڈ سطح تک بڑھا دیا ہے، بیرونی کھاتوں کا توازن بگڑ گیا ہے۔ ان واقعات کے نتیجے میں توقع سے پہلے ہی اقتصادی پابندیاں لگادی گئی ہیں اور ان پابندیوں سے زیادہ سے زیادہ فائدہ اٹھانے کی غرض سے منی بجٹ کے ذریعے ٹیکسوں سے آمدنی بڑھانے کے اقدامات اٹھائے گئے تاکہ اندرون ملک طلب میں کمی لائی جاسکے۔ نتیجے میں مالی سال 2022 کی دوسری سہ ماہی میں پیٹرولیم، کمرشل گاڑیوں اور سیمنٹ کی فروخت میں کمی دیکھی گئی ہے۔ نیشنل اکاؤنٹس کمیٹی (NAC) نے 2006 سے 2016 تک نیشنل اکاؤنٹس کی بنیاد میں تبدیلی کا ازسرنو جائزہ لیا ہے۔ اس جائزے کے بعد معلوم ہوا کہ مالی سال 2021 کے دوران جی ڈی پی میں 5.6% اضافہ ہوا تھا۔ نئے بنیادی سال کے سبب مالی سال 2021 کے دوران فی کس آمدنی -1,666 امریکی ڈالر تھی۔ ڈالروں میں پاکستانی معیشت کا حجم قبل ازیں 298 بلین ڈالر سے بڑھ کر 347 بلین ڈالر تک پہنچ گیا ہے۔ جب کہ سرکاری قرضوں سے جی ڈی پی کا تناسب 84% سے کم ہو کر 72% ہوا، بجٹ خسارے میں 1% کی بہتری آئی جو کم ہو کر 6.1% ہوا، تاہم ٹیکس سے جی ڈی پی کا تناسب بدتر رہا جو مالی سال 2021 میں 11% سے کم ہو کر 9.5% تک پہنچ گیا۔

مالی سال 2022 کی پہلی ششماہی میں افراط زر کی شرح گزشتہ برس کی اسی مدت کے 8.6% کے مقابلے میں 9.8% رہی جو اسٹیٹ بینک آف پاکستان کی نظر ثانی اور تخمینہ شدہ 9.0% تا 11.0% کی رینج کے اندر رہی رہی۔ اس مدت کے دوران افراط زر 7.1% کے ارد گرد رہی جو ظاہر کرتے ہیں کہ اس مدت کے دوران طلب بڑھ جانے کے باعث پیدا ہونے والا دباؤ، قابو میں رہا۔ تاہم اسٹیٹ بینک پالیسی ریٹ میں 275bps کا اضافہ کرتے ہوئے اسے 9.75% تک لے گیا تاکہ بڑھتے ہوئے جاری کھاتے کے خسارے پر قابو پایا جاسکے، مہنگائی کے بڑھتے ہوئے دباؤ کا مقابلہ کیا جاسکے اور یقینی بنایا جاسکے کہ شرح نمو مستحکم رکھی جاسکے۔ تصویر کا مثبت رخ یہ ہے کہ مانیٹری پالیسی کمیٹی (MPC) نے محسوس کیا ہے کہ حالیہ شرح سود آئندہ کی مناسبت سے موزوں ہے جو مالی سال 2023 میں افراط زر کی شرح 5.0% سے 7.0% تک رکھنے، بڑھوتی کی اعانت کرنے، اور بیرونی استحکام قائم رکھنے میں مدد دے گا۔ چنانچہ مالی سال 2022 کے دوران اگر پالیسی میں رد و بدل کی ضرورت محسوس ہوئی تو شرح میں اضافہ معتدل رہے گا۔ اس کے علاوہ طویل تر مدت والی اوپن مارکیٹ آپریشنز (OMO) کا متعارف کیا جانا بھی مارکیٹ کی توقعات مذکورہ رہنمائی کے مطابق ڈھالنے میں اہم رہا جس کے نتیجے میں متعین آمدنی (فلسڈ انکم) پر ہونے والا نفع کم رہا۔

جاری کھاتوں کا خسارہ (CAD) جولائی سے دسمبر 2021 کی مدت کے دوران 9.1 بلین ڈالر تک پہنچا جو گزشتہ برس اسی مدت کے دوران 1.2 بلین ڈالر سرپلس رہا تھا۔ جہاں ترسیلات زراور برآمدات کا گراف بلندی کی جانب محسوس رہا جن میں سال بہ سال کی بنیاد پر بالترتیب 11% اور 29% کا اضافہ ہوا؛ لیکن وہ سال بہ سال بنیاد پر درآمدات میں 57% کا پہاڑ جیسا اضافہ تھا جس نے جاری کھاتوں کے توازن کو بری طرح بگاڑا۔ دنیا بھر میں اشیائے صرف کی قیمتوں میں بیش بہا اضافے، صرف ایک بار کی جانے والی درآمدات جیسے ویکسین، TERF سے منسلک مشینری کی درآمدات اور گندم کی درآمد نے بھی درآمدی بل میں بیش بہا اضافہ کیا۔ بیرونی کھاتوں پر دباؤ بڑھتے رہنے کے سبب امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں مالی سال 2022 کی پہلی ششماہی کے دوران 12% کمی واقع ہوئی اور امریکی ڈالر کے مقابلے میں دسمبر 2021 کے اختتام پر پاکستانی روپے کی قیمت 176.50 روپے تک پہنچ گئی۔ پہلی ششماہی کے دوران غیر ملکی زرمبادلہ کے اسٹیٹ بینک کے ذخائر میں معمولی اضافہ ہوا جو جون 2021 کے اختتام پر 17.3 بلین ڈالر سے بڑھ کر دسمبر 2021 میں 17.7 بلین ڈالر تک بڑھے نتیجتاً مالی سال 2022 کی شروعات کی بہ نسبت ماہانہ برآمدی بل زیادہ ہونے کے سبب ڈالر کے ذخائر میں خاطر خواہ اضافہ نہ ہو سکا۔

مالیاتی رخ امید افزا رہا جہاں سال بہ سال بنیاد پر ایف بی آر کی ٹیکس آمدنی مالی سال 2022 کی پہلی ششماہی میں 32% بڑھ کر 2.92 ٹریلین روپے ہوئی جس کے ساتھ معیشت میں مجموعی بہتری، بہت زیادہ درآمدات بھی ہوئیں جن سے ٹیکسوں کی مدد 52% آمدنی حاصل ہوئی۔ اس دوران اخراجات میں معمولی حد کا اضافہ بھی ہوا؛ ترقیاتی اخراجات معتدل رہے کیوں کہ اب تک حکومت نے دانشمندی سے پرائیویٹ سیکٹر کو مراعات دی ہیں تاکہ ملک میں تعمیراتی سرگرمیوں میں تیزی لائی جاسکے۔ پاکستانی حکومت کا ٹارگٹ مالی سال 2022 کے دوران اقتصادی کارکردگی مزید بہتر بنانا ہے جس میں اسے دوسری ششماہی کے دوران آئی ایم ایف کے ساتھ سخت مذاکرات کے بعد آئی ایم ایف EEF پروگرام کے دوبارہ شروع ہونے سے تقویت ملے گی۔ اس طرح پاکستان کو وڈ کے باعث رک جانے والی اصلاحات کا عمل دوبارہ شروع کرنے کے قابل ہو جائے گا اور ہمارا ملک ترقی کے راستے پر چل پڑے گا۔ خاص طور پر وزیر مالیات نے اصلاحات کے پروگرام کو جاری رکھنے کے اپنے عہد کا اظہار کیا ہے چاہے اس کے لئے انہیں سخت اقدامات ہی کیوں نہ اٹھانے

پڑیں۔ ضمنی مالیاتی بل میں بہت سے ٹیکس کی رعایات واپس لے لی گئی ہیں تاکہ ٹیکس کی بنیاد کو وسیع تر کیا جاسکے اور مستقبل میں انکم ٹیکس کی مد میں زیادہ آمدنی حاصل کی جاسکے۔

بازار زر کا جائزہ

زیر جائزہ مدت کے دوران مرکزی بینک نے پالیسی ریٹ میں مجموعی طور سے 275bps کا اضافہ کر کے اسے 9.75% تک پہنچایا تاکہ معیشت کا غیر پائیدار اضافہ اور روپے کی قدر کو مزید گرنے سے روکا جاسکے۔ پالیسی ریٹ بڑھ جانے کے باعث T-bill کے حاصل 300bps سے 380bps کی رینج میں بڑھے جب کہ طویل مدتی PIB حاصل نے گراف پر 168bps سے 250bps کی رینج کے اندر بلندی کی جانب رخ کیا۔ مدت کے اختتام پر تین، چھ اور بارہ ماہ کی مدت کے T-bills بالترتیب 10.35%، 11.30% اور 11.38% پر بند ہوئے۔ دوسری جانب PIB کی شرح 11.42% (برائے 3 سال)، 11.46% (برائے 5 سال) اور 11.62% (برائے 10 سال) رہی۔ جون 2020 میں پالیسی ریٹ میں کمی گئی گزشتہ کمی کے بعد اسٹیٹ بینک نے پالیسی ریٹ کی شرح 7.0% میں ایک سال سے زائد مدت تک چھ مسلسل مالیاتی پالیسیوں میں کوئی ردوبدل نہیں کیا۔ مالی سال 2022 کے لئے اسٹیٹ بینک نے مہنگائی کے 9% سے 11% کی رینج میں رہنے کا تخمینہ لگایا ہے جو 7% سے 9% کی توقع سے زیادہ ہے۔ اس کی بڑھوتی کی وجہ خوراک، بجلی اور ایندھن کی قیمتوں میں اضافہ ہے۔

مالی سال 2022 کی پہلی ششماہی کے دوران KIBOR ریٹوں میں 300bps سے 380bps کی رینج میں بڑھوتی دیکھی اور تین ماہ، چھ ماہ اور بارہ ماہ کے KIBOR ریٹوں میں 309bps، 377bps اور 372bps کا اضافہ ہوا جو بالترتیب 10.54%، 11.46% اور 11.80% فیصد تک پہنچے۔ دوسری جانب ضمنی مارکیٹ میں T-bills اور PIB حاصل نے بھی تیزی کا رجحان دکھایا۔ لکویڈٹی کے ضمن میں بازار زر میں استحکام دیکھنے میں آیا جو اوپن مارکیٹ آپریشنز (OMO) میں اسٹیٹ بینک کی جانب سے رقوم کی مسلسل ترسیل تھی جس کا مقصد یہ یقینی بنانا تھا کہ مارکیٹ پالیسی ریٹ سے آگے نہ بڑھے۔ مالی سال 2022 کی پہلی ششماہی کے دوران اب تک اسٹیٹ بینک آف پاکستان نے 8.60 ٹریلین روپے کی میچورٹی کے مقابلے میں 7.73 ٹریلین روپے کے قرضے T-Bills کے ذریعے حاصل کئے۔ دوسری جانب 1.1 ٹریلین روپے کی میچورٹی کے مقابلے میں اسٹیٹ بینک نے طویل مدتی PIBs (فلکسڈ + فلوٹرز) کے ذریعے 1.1 ٹریلین روپے قبول کئے۔ تابع شریعہ انسٹرومنٹ کے ضمن میں GoP Ijarah کی قیمتوں نے بھی شرح سود میں تیزی سے بڑھوتی کے باعث کمی کا رجحان دیکھا۔ مندرجہ ذیل جدول اجارہ/سکوک کا خلاصہ پیش کرتا ہے:

Ijarah	Type	Coupon	Next Reset	Issue Size (bn)	Maturity	Reval			Change
						30-Jun	31-Dec	YTM	
XX	Floater	7.53%	30-Apr-22	76.39	30-Apr-25	97.12	96.49	11.46%	-0.63
XXI	Floater	10.10%	29-May-22	74.62	29-May-25	100.63	100.18	11.04%	-0.45
XXII	Floater	7.47%	24-Dec-21	47.24	24-Jun-25	100.60	100.18	11.25%	-0.42
XXIII	Floater	7.32%	29-Jan-22	186.91	29-Jul-25	100.50	100.02	11.07%	-0.48
XXIV	Floater	10.96%	09-Jun-22	227.26	09-Dec-25	100.92	100.18	11.26%	-0.74
XXV	Floater	7.85%	06-Apr-22	190.53	09-Oct-26	N/A	99.13	11.09%	-0.87*
XXVI	Floater	8.70%	29-Apr-22	361.25	29-Oct-26	N/A	99.38	11.23%	-0.62*
PES I	Floater	8.34%	01-Mar-22	200.00	01-Mar-29	106.75	106.75	10.80%	0.00
PES II	Floater	9.06%	21-May-22	199.97	21-May-30	100.80	101.50	10.98%	0.70
Total				1,564.16					

Ijarah	Type	Coupon	Next Reset	Issue Size (bn)	Maturity	Reval			Change
						30-Jun	31-Dec	YTM	
XXIII	Fixed	8.37%	N/A	44.60	29-Jul-25	99.48	96.00	9.73%	-3.48
XXIV	Fixed	9.45%	N/A	8.25	20-Jan-26	101.23	97.00	10.38%	-4.23
XXV	Fixed	9.70%	N/A	12.73	09-Oct-26	N/A	97.83	10.28%	-2.17*
XXVI	Fixed	11.40%	N/A	68.00	15-Dec-26	N/A	100.96	11.14%	0.96*
Total				133.58					

* مبلغ/100 روپے فی یونٹ کی قیمت سے موازنہ۔

مرکزی بینک نے GoP Ijarah کی نیلامی جاری رکھی۔ مارکیٹ کے شرکاء نے ان نیلامیوں کو خوش آمدید کہتے ہوئے جوش و خروش سے تمام نیلامیوں میں شرکت کی۔ زیر جائزہ مدت کے دوران مرکزی بینک نے فلوٹنگ ریٹوں کے ساتھ ساتھ فلکسڈ ریٹ پر بھی اجارہ بونڈز جاری کر کے اسلامی شرکاء سے 641 بلین روپے حاصل کئے۔ کام میں لائے جانے والے اثاثوں کی دستیابی یا اجارہ/سکوک بونڈز کے اجراء سے منسلک مسائل حل ہوئے تو مرکزی بینک نے اسلامی بینکوں میں لکویڈٹی کی زیادتی کو قابو میں رکھنے کی غرض سے باقاعدہ نیلامیاں کی۔ کارپوریٹ سیکٹر بدستور طویل مدتی سکوک کے ذریعے سرمایہ

حاصل کرنے میں مشکلات کا سامنا کرتا رہا تاہم قلیل مدتی انسٹرومنٹس کی اجراء میں اضافہ دیکھنے میں آیا جس نے اسلامی مالیاتی اداروں میں ہونے والی حد سے زیادہ لکویڈیٹی کو جذب کرنے میں اہم ترین کردار ادا کیا۔

بازار حصص کا جائزہ

مالی سال 2022 کی پہلی ششماہی کے دوران اسٹاک مارکیٹ دباؤ میں رہی اور KMI-30 انڈیکس میں 6.4% کی کمی واقع ہوئی جو 71,687 پوائنٹس پر بند ہوئی، جب کہ KSE-100 انڈیکس بھی 5.8% گر گیا جو 44,596 پوائنٹس پر بند ہوئی۔ مشکلات سے بھرپور میکرو اکنامک پس منظر پیدا ہونے والی سیاسی غیر یقینیوں کے مجموعے نے سرمایہ کاروں کے جذبات پر اوس ڈال دی اور مارکیٹ کئی برسوں کی کم ترین سطح پر پہنچ گئی۔ صورت حال میں اور بھی ابتری غیر ملکی سرمایہ کاروں کی جانب سے تیزی سے فروخت کی وجہ سے بھی پیدا ہوئی جس کی وجہ ایمرجنگ مارکیٹ (EM) سے فرٹیر مارکیٹ (FM) انڈیکس تک پاکستان کی قدرکاری میں MSCI حثیت میں زوال آنا تھی۔ مالی سال 2022 کی پہلی ششماہی کے دوران بیرونی سرمایہ کاروں کی جانب سے 250 امریکی ڈالر مالیت کے اسٹاک کی خالص فروخت کی جس میں سے زیادہ تر فروخت نومبر کے مہینے میں عمل میں آئی۔ مثبت واقعہ یہ ہوا کہ کارپوریٹ آمدنیاں مارکیٹ کی توقعات سے زیادہ بڑھیں جب کہ ڈیوڈنڈ کی ادائیگیاں بھی صحت مند رہیں۔ اگست کے آخر میں KSE-100 انڈیکس بھی اس مدت کی بلند ترین سطح تک پہنچی اور 48,112 پوائنٹس پر بند ہوئی لیکن متذکرہ بالا عوامل نے یہ سارے فوائد اٹا دیئے۔

تیزی سے پھیلنے والے ڈیلٹا ویریئنٹ کی صورت میں کووڈ 19 کی چوتھی لہر پاکستان میں بھی پہلی جس دوران بلند ترین مثبت شرح 10% تک رہی۔ البتہ اس لہر پر بھی حکومت نے پیشگی پابندیاں لگا کر اور ویکسین لگانے کی رفتار تیز کر کے قابو پایا۔ چنانچہ دسمبر کے آخر تک کووڈ سے متاثرہ مریضوں کی تعداد کی شرح میں کافی کمی واقع ہوئی جو 10,000 تک تھی اور اس وائرس سے متاثر ہونے والوں کی تعداد کا تناسب 1% کے آس پاس رہا۔ ایک اور ویریئنٹ، ’’اومیکرون‘‘ اس مدت کے آخر میں نمودار ہوا جو اگرچہ ڈیلٹا کی بہ نسبت زیادہ تیزی سے پھیلتا ہے لیکن اس سے کم خطرناک ہے۔ اس مدت کے دوران KMI-30 انڈیکس میں کاروبار کے کل حجم میں سال بہ سال بنیاد پر 68% یعنی 51 ملین شیئرز کی کمی واقع ہوئی جب کہ KSE-100 انڈیکس میں اسٹاک کے کل حجم میں 52% یعنی 128 ملین شیئرز کی کمی واقع ہوئی۔ اس دوران لکویڈیٹی نے بھی مارکیٹ کے گرنے میں کردار ادا کیا جو 4.9x فارورڈ P/E رہی جو 8.3x کی تاریخی اوسط سے بہت کم تو ہے، لیکن دوسری جانب تازہ سرمایہ کاروں کے لئے زیادہ پُرکشش بھی ہے۔

لگتا ہے کہ MSCI EM سے حالیہ طور پر قدر میں کمی 2015 سے اب تک بیرونی سرمایہ کاروں کی جانب سے تیزی سے فروخت کے عمل کا اختتام ثابت ہوگا۔ اس طرح حالیہ برسوں میں مارکیٹ کے بڑھنے میں ایک بڑی رکاوٹ دور ہو جائے گی۔ FM میں وزن بڑھ جانے کے باعث کم از کم یہ ہوگا کہ پاکستان کی مارکیٹ ابھر کر سامنے آئے گی۔ تاہم اس دوران کووڈ کی نئی نئی اقسام کے ظاہر ہونے اور امریکا کے مرکزی بینک کی جانب سے زری پابندیاں لگائے جانے اور ڈالر کی قدر بڑھنے کے باعث کم زور اقتصادی بحالی کے تناظر میں نئی مارکیٹوں میں سے سرمایہ نکالے جانے کا عمل جاری رہے گا۔ لہذا پاکستانی اسٹاک مارکیٹ میں بیرونی سرمائے کی واپسی مستقبل قریب میں ممکن نظر نہیں آتی۔

پہلی ششماہی کے دوران جاری کھاتے کے خسارے میں اضافے کی وجہ سے بیرونی کھاتے پر دباؤ بڑھ جانے کے نتیجے میں پاکستانی روپے نے امریکی ڈالر کے سامنے 12% کی کمی برداشت کی اور ساتھ ہی اسٹیٹ بینک نے بھی کووڈ 19 کی وباء پھیلنے کی شروعات میں نافذ کردہ امدادی پالیسی تبدیل کرتے ہوئے پالیسی ریٹ میں 25bps کا اضافہ کرتے ہوئے پالیسی ریٹ 9.75% مقرر کیا۔ یہ فیصلہ لئے جانے کا مقصد مہنگائی کے دباؤ کا مقابلہ کرنا اور یہ یقینی بنانا ہے کہ بڑھوتی میں استحکام رہے۔ مانیٹری پالیسی کمیٹی نے محسوس کیا کہ مستقبل کی بنیاد پر ہلکا سا مثبت حقیقی شرح سود مقرر کرنے کا اصل مقصد اب حاصل ہونے والا ہے۔ مجموعی طور پر مالی سال 2022 کے دوران پیداوار 4.5% رہنے کی توقع ہے جو طلب کے اشاریوں کو اعتدال پر لانے اور گزشتہ برس کی شرح نمو کو کچھ زیادہ مقرر کرنے کی روٹنی میں گزشتہ تہمینوں سے معمولی سا کم ہے۔ کارپوریٹ منافع نے جون اور ستمبر 2021 کے نتائج میں صحت مند بڑھوتی دیکھی جس کی بدولت اچھی خاصی رقوم کی ادائیگیاں بھی ہوئیں۔ متعین آمدنی والے اثاثوں کی کلاس کی ایکویٹی کی کشش بدستور باقی ہے؛ اور متعین آمدنی میں حالیہ اضافے کے باوجود مارکیٹ کی آمدنی گورنمنٹ سکیورٹیز کے بیچ مارک میں فرق واضح رہا۔

عالمی سطح پر مالی سال 2022 کی پہلی ششماہی کے دوران MSCI EM انڈیکس، EM میں مسلسل پیسہ لگانے کے باوجود دباؤ میں رہی اور اس مدت کے دوران انڈیکس امریکی ڈالر کی مدد میں 10% سے محروم ہوئی؛ البتہ MSCI World Index نے اس مدت کے دوران 7% کے اضافے کا اعلان کیا کیوں کہ سرمایہ کاروں نے EMs پر ترقی یافتہ مارکیٹوں کو فوقیت دی تھی۔ ایندھن کی قیمتوں میں مسلسل اضافے اور سپلائی میں بار بار تعطل سے توقع ہے کہ بڑی EM اور DM معیشتیں بدستور دباؤ میں رہیں گی کیوں کہ فرائز زر کا دباؤ بڑھ رہا ہے۔ عالمی سطح پر بھی تیل کی قیمتیں بدستور بڑھتی رہیں اور سپلائی میں تعطل اور اوپیک اور تیل پیدا کرنے والے دیگر ملکوں کی جانب سے پیداوار نہ بڑھانے کے باعث Brent نے مالی سال 2022 کی پہلی ششماہی میں 4% کا اضافہ کیا۔

انڈیکس میں بڑے حصہ دار:

اہم سیکٹروں میں کمرشل بینکوں، ٹیکنالوجی اور مصنوعی کھاد کے سیکٹر کارکردگی میں سب سے بہتر رہے۔ مالی سال 2022 کی پہلی ششماہی کے دوران KMI-30 انڈیکس میں بڑے حصہ دار تھے:

Major Positive Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Systems Ltd	1,284	34.51
Meezan Bank Ltd	1,177	36.06
Engro Fertilizers Ltd	635	19.35
Mari Petroleum Co Ltd	387	12.47

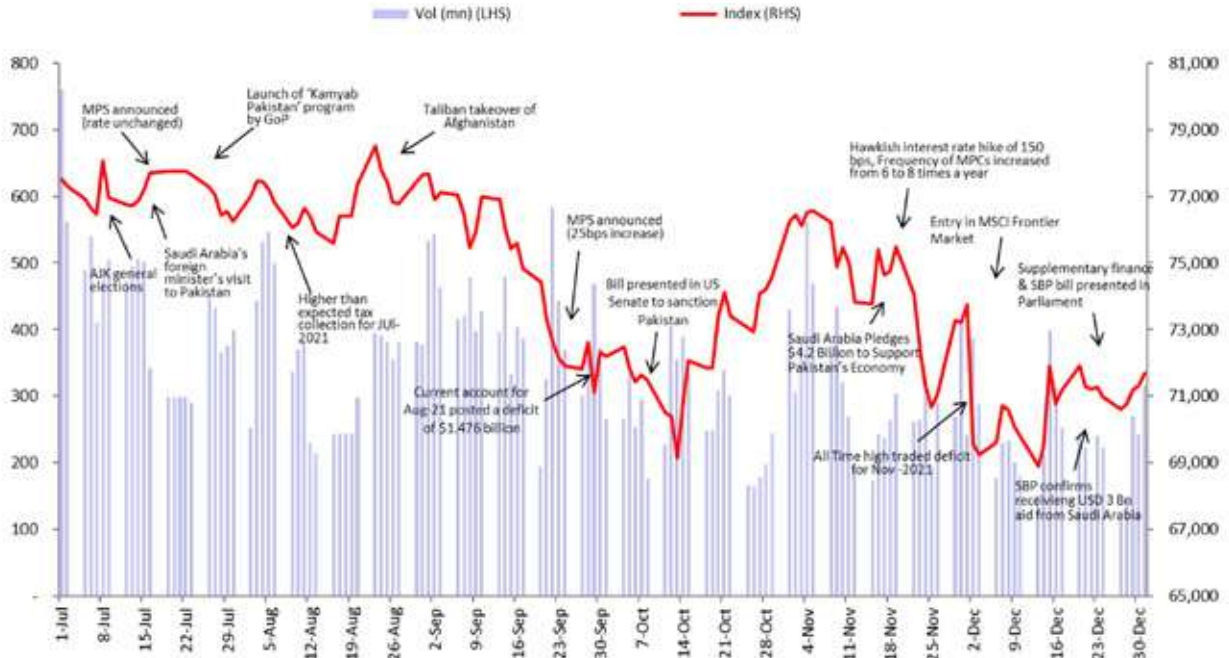
دوسری جانب ریٹائرمنٹوں، تیل اور گیس کی مارکیٹنگ اور سیمنٹ کے سیکٹر بدترین کارکردگی دکھانے والوں میں شامل تھے۔ اس مدت کے دوران KMI-30 انڈیکس میں بدترین کارکردگی دکھانے والوں میں شامل تھے:

Major Negative Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Lucky Cement Ltd	-1,902	-23.50
Unity Foods Ltd	-853	-42.15
DG Khan Cement Co Ltd	-637	-30.25
Pakistan State Oil Co Ltd	-555	-14.93

ایکویٹی کا بہاؤ

مالی سال 2022 کے دوران غیر ملکی، ایک بار پھر خالص فروخت کنندگان رہے جنہوں نے لگ بھگ 250 ملین امریکی ڈالر کا سرمایہ باہر نکالا۔ غیر ملکیوں کی جانب سے زیادہ تر فروخت کمرشل بینکوں (141 ملین ڈالر)، سیمنٹ (48 ملین ڈالر) اور فریٹلائزر (47 ملین ڈالر) کے سیکٹروں سے عمل میں آئی۔ حالیہ روش کی مناسبت سے انفرادی سطح پر مارکیٹ کی اعانت جاری رکھی گئی اور 72 ملین ڈالر کا سرمایہ مارکیٹ میں لایا گیا۔ اسی مناسبت سے انشورنس اور کمپنیوں کی جانب سے بالترتیب 66 ملین ڈالر اور 60 ملین ڈالر کی خالص خرید عمل میں آئیں۔ بروکرسٹاک فروخت کرتے رہے جنہوں نے 12 ملین ڈالر مارکیٹ سے باہر نکالے۔ میوچل فنڈز میں زیادہ سرگرمی نہیں رہی اور 11 ملین ڈالر کی فروخت عمل میں آئی۔

درج ذیل گراف اس مدت کے دوران KMI-30 انڈیکس اور مہمیز دینے والے دیگر عوامل کی حرکات کا ظاہر کرتا ہے:



میوچل فنڈ انڈسٹری کا جائزہ

مالی سال 2022 کے پہلے چھ ماہ کے دوران میوچل فنڈز کی صنعت کے AUMs میں 7.2% کا اضافہ ہوا جو 1,125 بلین روپے تک پہنچے، تابع شریعہ AUMs میں 1.2% یعنی 434 بلین روپے کی کمی واقع ہوئی کیوں کہ انہیں شرح سود میں اضافے کے تناظر میں اپنے روایتی مسابقت کاروں سے مقابلے کی جدوجہد کرنی پڑی تھی۔ صنعت میں تابع شریعہ فنڈز میں 4.3% کی کمی عمل میں آئی جس میں ایک برس قبل 42.85% کا اضافہ ہوا تھا۔ میوچل فنڈز انڈسٹری میں ال میزبان کا حصہ 15.4% رہا؛ جب کہ تابع شریعہ فنڈز میں 31 دسمبر 2021 تک اس کا حصہ 39.8% تھا۔ پنشن فنڈز کی کیٹگری میں

مارکیٹ میں میزان تحفظ پیش فنڈ کا حصہ %34.6 رہا جب کہ تابع شریعہ VPS میں 31 دسمبر 2021 تک مارکیٹ میں اس کا حصہ %52.8 رہا تھا۔

کارکردگی کا جائزہ (فنڈز)

درج ذیل جدول مالی سال 2022 کی پہلی ششماہی کے دوران ہمارے زیر انتظام فنڈز کا خلاصہ پیش کرتا ہے:

Funds	Type	Net Assets Rs. in millions	Growth in Net Assets for 1HFY22 (%)	Returns for 1HFY22 (%)	Benchmark for 1HFY22 (%)
Equity Funds					
Al Meezan Mutual Fund (AMMF)	Equity	5,050	2.69	-3.07	-6.44
Meezan Islamic Fund (MIF)	Equity	30,479	-11.07	-2.95	-6.44
KSE Meezan Index Fund (KMIF)	Equity	2,764	2.50	-6.38	-6.44
Meezan Energy Fund (MEF)	Equity	507	-13.20	-6.67	-6.44
Meezan Dedicated Equity Fund (MDEF)	Equity	870	-14.31	-5.47	-6.44
Fixed Income Funds					
Meezan Islamic Income Fund (MIIF)	Income	25,442	-6.62	7.42	3.13
Meezan Cash Fund (MCF)	Money Market	13,229	-2.42	7.40	3.24
Meezan Sovereign Fund (MSF)	Income	8,989	-9.56	7.89	3.13
Meezan Daily Income Fund (MDIP-1)*	Income	13,165	-	8.32	3.14
Meezan Rozana Amdani Fund (MRAF)	Money Market	52,449	-29.79	7.98	3.24
Balanced Fund					
Meezan Balanced Fund (MBF)	Balanced	4,340	-7.93	-0.87	-2.29
Exchange Traded					
Meezan Pakistan Exchange Traded Fund (MZNP-ETF)	Exchange Traded	88	124.80	-14.92	-14.46
Fund of Funds					
Meezan Financial Planning Fund of Fund					
Aggressive		337	-3.13	0.12	-4.41
Moderate		119	-18.76	2.47	-2.46
Conservative		227	1.18	2.71	-0.46
MAAP-I		99	-36.87	2.83	-4.60
Meezan Strategic Allocation Fund					
MSAP-I		519	-23.02	-0.59	-4.47
MSAP-II		387	-14.53	-1.12	-4.60
MSAP-III		339	-32.22	-1.65	-4.51
MSAP-IV		160	-24.95	-0.92	-4.59
MSAP-V		58	-8.04	-1.94	-4.63
MSAP-MCPP-III		228	-13.81	2.50	0.13
Meezan Strategic Allocation Fund - II					
MSAP-II -MCPV-IV		723	-5.66	0.12	-1.94
MSAP-II -MCPV-V		85	-10.31	2.73	0.31
MSAP-II -MCPV-VI		82	-11.90	4.13	1.63
MSAP-II -MCPV-VII		98	-6.37	3.07	0.95
Meezan Strategic Allocation Fund - III					
MSAP-II -MCPV-IX		96	-4.05	-0.26	-1.93
Commodity Fund					
Meezan Gold Fund (MGF)	Commodity	601	23.31	13.05	11.19
Asset Allocation Fund					
Meezan Asset Allocation Fund (MAAF)	Asset Allocation	1,395	-16.60	-7.31	-5.34
Pension Fund Scheme					
Meezan Tahaffuz Pension Fund					
Equity sub Fund		5,171	-6.18	-2.60	
Debt sub Fund		4,582	5.71	7.06	
Money Market sub Fund		3,593	6.32	6.52	
Gold Sub Fund		135	-0.31	12.42	

میزان اسلامک فنڈ

30 جون 2021 کو 34,274 ملین روپے کی بہ نسبت 31 دسمبر 2021 تک میزان اسلامک فنڈ (MIF) کے خالص اثاثوں کی مالیت 30,479 ملین روپے رہی یعنی %11 کمی ریکارڈ کی گئی۔ 31 دسمبر 2021 کو اثاثوں کی فی یونٹ خالص قدر (NAV) 61.5067 روپے تھے جب کہ 30 جون 2021 کو یہ قدر 63.3761 روپے رہی تھی جو KSE میزان انڈیکس (KMI-30) کی %6.44 کمی کی بنیاد پر %2.95 منفی شرح منافع رہی۔

المیزان میوچل فنڈ

30 جون 2021 کو 4,918 ملین روپے کی بہ نسبت 31 دسمبر 2021 کو المیزان میوچل فنڈ (AMMF) کے خالص اثاثوں کی مالیت 5,050 ملین روپے رہی یعنی میوچل فنڈ کے اثاثوں کی مالیت میں 3% اضافہ ہوا تھا۔ 31 دسمبر 2021 کو اثاثہ جات کی فی یونٹ خالص قدر (NAV) 17.1053 روپے تھی جب کہ 30 جون 2021 کو یہ قدر 17.6466 روپے رہی تھی جو اس مدت کے دوران KSE میزان انڈیکس (KMI-30) کی 6.44% کی بٹخ مارک کی بہ نسبت 3.07% منفی شرح منافع رہا۔

کے ایس ای میزان انڈیکس فنڈ

31 دسمبر 2021 کو KSE میزان انڈیکس فنڈ (KMIF) کے خالص اثاثہ جات کی مالیت 2,764 ملین روپے تھی جب کہ 30 جون 2021 کو یہ مالیت 2,697 ملین روپے رہی تھی یعنی خالص اثاثوں کی مالیت میں 3% اضافہ ہوا۔ 31 دسمبر 2021 کو اثاثوں کی فی یونٹ خالص قدر (NAV) 68.2216 روپے تھے جب کہ 30 جون 2021 کو کے ایس ای میزان انڈیکس فنڈ کے اثاثوں کی فی یونٹ خالص قدر 72.8711 روپے رہی تھی یعنی اس مدت کے دوران KSE میزان انڈیکس (KMI-30) کی بہ نسبت، جس میں 6.44% کی بٹخ مارک کمی ہوئی تھی، 6.38% کا منفی شرح منافع رہا۔

میزان ڈیڈیکٹیو ایکویٹی فنڈ

31 دسمبر 2021 کو میزان ڈیڈیکٹیو ایکویٹی فنڈ (MDEF) کے خالص اثاثہ جات کی مالیت 870 ملین روپے تھی جب کہ 30 جون 2021 کو یہ مالیت 1,015 ملین روپے رہی تھی یعنی خالص اثاثوں کی مالیت میں 14% کمی واقع ہوئی۔ 31 دسمبر 2021 کو اثاثوں کی فی یونٹ خالص قدر (NAV) 44.3419 روپے تھے جب کہ 30 جون 2021 کو میزان ڈیڈیکٹیو ایکویٹی فنڈ کے اثاثوں کی فی یونٹ خالص قدر 46.9066 روپے رہی تھی یعنی اس مدت کے دوران KSE میزان انڈیکس (KMI-30) کی بہ نسبت، جس میں 6.44% کی بٹخ مارک کمی ہوئی تھی، 5.47% کا منفی شرح منافع رہا۔

میزان انرجی فنڈ

میزان انرجی فنڈ (MEF) کے خالص اثاثوں کی مالیت 31 دسمبر 2021 کو 507 ملین روپے تھی جو جون 2021 میں 584 ملین روپے رہی تھی یعنی میزان انرجی فنڈ کے خالص اثاثہ جات کی مالیت میں 13% کمی واقع ہوئی۔ 31 دسمبر 2021 کو اثاثوں کی فی یونٹ خالص قدر (NAV) 32.0109 روپے تھے جب کہ 30 جون 2021 کو میزان انرجی فنڈ کے اثاثوں کی فی یونٹ خالص قدر 34.2992 روپے رہی تھی یعنی اس مدت کے دوران KSE میزان انڈیکس (KMI-30) کی بہ نسبت، جس میں 6.44% کی بٹخ مارک کمی ہوئی تھی، 6.44% کا منفی شرح منافع رہا۔

میزان پاکستان ایکسیچینج ٹریڈ فنڈ

31 دسمبر 2021 کو میزان پاکستان ایکسیچینج ٹریڈ فنڈ (MPETF) کے خالص اثاثوں کی مالیت 88 ملین روپے تھی جب کہ جون 2021 میں یہ مالیت 39 ملین روپے ریکارڈ کی گئی تھی۔ اس طرح اثاثوں کی مالیت میں 125% کا اضافہ ہوا۔ 31 دسمبر 2021 کو اثاثوں کی فی یونٹ خالص قدر (NAV) 8.7964 روپے تھی جب کہ 30 جون 2021 کو اثاثوں کی فی یونٹ خالص قدر 10.3387 روپے رہی تھی یعنی اس مدت کے دوران MZNP کے بٹخ مارک ریٹرن، جس میں 14.46% کی کمی واقع ہوئی تھی، کی بہ نسبت 14.92% کا منفی شرح منافع رہا۔

میزان ایسیٹ ایلوکیشن فنڈ

31 دسمبر 2021 کو میزان ایسیٹ ایلوکیشن فنڈ (MAAF) کے خالص اثاثوں کی مالیت 1,395 ملین روپے تھی جب کہ 30 جون 2021 کو یہ مالیت 1,672 ملین روپے ریکارڈ کی گئی تھی۔ اس طرح اثاثوں کی مالیت میں 17% کمی واقع ہوئی۔ 31 دسمبر 2021 کو اس فنڈ کے اثاثوں کی فی یونٹ خالص قدر (NAV) 45.8449 روپے تھی جب کہ 30 جون 2021 کو اثاثوں کی فی یونٹ خالص قدر 49.4600 روپے رہی تھی یعنی اس مدت کے دوران بٹخ مارک ریٹرن، جس میں 5.34% کی کمی واقع ہوئی تھی، کی بہ نسبت 7.31% کا منفی شرح منافع رہا۔

میزان اسلامک انکم فنڈ

میزان اسلامک انکم فنڈ (MIIF) کے خالص اثاثہ جات 31 دسمبر 2021 کو 25,442 ملین روپے مالیت کے تھے جب کہ 30 جون 2021 کو ان کی مالیت 27,246 ملین روپے رہی تھی لہذا ان کی مالیت میں 7% کمی واقع ہوئی۔ 31 دسمبر 2021 کو اس فنڈ کے اثاثوں کی فی یونٹ خالص قدر (NAV) 53.3998 روپے تھی جب کہ 30 جون 2021 کو اثاثوں کی فی یونٹ خالص قدر 51.4736 روپے رہی تھی جو 3.13% کے سالانہ بیٹنج مارک کی بہ نسبت 7.42% سالانہ منافع رہا۔ مدت کے اختتام پر اس فنڈ کا 15% اسلامک کارپوریٹ سکوک، 5% کمرشل پیپرز، 47% حکومت پاکستان کے اجارہ/سرکاری ضمانت والے سکوک، 2% مشارکہ سرٹیفکیٹ میں لگایا گیا اور خالص اثاثوں کا 30% اسلامک بینکوں یا اسلامی بینکوں کی ونڈوز میں رکھا گیا۔

میزان سوورن فنڈ

میزان سوورن فنڈ (MSF) کے خالص اثاثہ جات کی مالیت 31 دسمبر 2021 کو 8,989 ملین روپے تھی جو 30 جون 2021 کو 9,939 ملین روپے رہی تھی یعنی ان کی مالیت میں 10% کمی واقع ہوئی۔ 31 دسمبر 2021 کو اثاثوں کی فی یونٹ خالص قدر (NAV) 53.6451 روپے تھی جو 30 جون 2021 کو 51.5918 روپے رہی تھی جو 3.13% کے سالانہ بیٹنج مارک کی بہ نسبت 7.89% سالانہ منافع رہا۔ مدت کے اختتام پر اس فنڈ کا 86% حکومت پاکستان کے اجارہ/سرکاری ضمانت والے سکوک میں لگایا گیا جب کہ خالص اثاثوں کا 12% اسلامک بینکوں یا اسلامی بینکوں کی ونڈوز میں رکھا گیا۔

میزان کیش فنڈ

میزان کیش فنڈ (MCF) کے خالص اثاثہ جات کی مالیت 31 دسمبر 2021 کو 13,229 ملین روپے تھی جو 30 جون 2021 کو 13,557 ملین روپے رہی تھی یعنی ان کی مالیت میں 2% کمی واقع ہوئی۔ 31 دسمبر 2021 کو اثاثوں کی فی یونٹ خالص قدر (NAV) 52.4225 روپے تھی جو 30 جون 2021 کو 50.5379 روپے رہی تھی جو 3.24% کے سالانہ بیٹنج مارک کی بہ نسبت 7.40% سالانہ ریٹرن رہی۔ مدت کے اختتام پر اس فنڈ کا 10% ٹرم ڈپازٹ رسیدوں اور 2% کمرشل پیپرز میں رکھا گیا جب کہ خالص اثاثوں کا 83% اسلامک بینکوں یا اسلامی بینکوں کی ونڈوز میں رکھا گیا۔

میزان روزانہ آمدنی فنڈ

30 جون 2021 کو 74,704 ملین روپے کی بہ نسبت 31 دسمبر 2021 کو میزان روزانہ آمدنی فنڈ (MRAF) کے خالص اثاثہ جات 52,449 روپے مالیت کے تھے یعنی مالیت میں 30% کمی واقع ہوئی تھی۔ 31 دسمبر 2021 کو اثاثوں کی فی یونٹ خالص قدر (NAV) 50.0000 روپے تھی۔ اس مدت کے دوران اس فنڈ نے 3.24% کے بیٹنج مارک سالانہ ریٹرن کے مقابلے میں 7.98% سالانہ ریٹرن فراہم کیا۔ مدت کے اختتام پر اس فنڈ کا 12% ٹرم ڈپازٹ رسیدوں، 5% کمرشل پیپرز اور 1% اسلامک کارپوریٹ سکوک میں رکھا گیا جبکہ خالص اثاثوں کا 81% اسلامک بینکوں یا اسلامی بینکوں کی ونڈوز میں رکھا گیا۔

میزان ڈیلی انکم فنڈ

میزان ڈیلی انکم فنڈ - MDIP-I

میزان ڈیلی انکم فنڈ MDIP-I، مورخہ 13 ستمبر 2021 کو جاری کیا گیا تھا۔ 31 دسمبر 2021 کو اس پلان کے خالص اثاثہ جات کی مالیت 13,165 روپے تھی۔ 31 دسمبر 2021 کو اس پلان کے اثاثوں کی فی یونٹ خالص قدر (NAV) 50.0000 روپے تھی۔ مدت کے دوران اس پلان نے 3.14% کے بیٹنج مارک سالانہ ریٹرن کی بہ نسبت 8.32% سالانہ ریٹرن فراہم کیا۔ مدت کے اختتام پر اس پلان کا 4% اسلامی کارپوریٹ سکوک، 5% کمرشل پیپرز، فنڈ کا 18% ٹرم ڈپازٹ رسیدوں میں اور خالص اثاثوں کا 72% اسلامی بینکوں یا اسلامی بینکوں کی ونڈوز میں رکھا گیا۔

میزان ہیلمنسڈ فنڈ

میزان ہیلمنسڈ فنڈ (MBF) کے خالص اثاثہ جات کی مالیت 31 دسمبر 2021 کو 4,340 ملین روپے تھی جو 30 جون 2021 کو 4,713 ملین روپے

کے تھے جن میں 8% کی کمی ریکارڈ کی گئی۔ 30 جون 2021 کو 16.2002 روپے کی بہ نسبت اثاثوں کی فی یونٹ خالص قدر (NAV)، 31 دسمبر 2021 کو 16.0597 روپے تھے اس طرح 2.29% کم ہونے والے مینج مارک ریٹرن کی بہ نسبت 0.87% کا منفی شرح منافع رہا۔

میزان فنانشل پلاننگ فنڈ آف فنڈز

ایگریسیو ایلوکیشن پلان

31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی مالیت 337 ملین روپے تھی جو 30 جون 2021 کو 348 ملین روپے رہی تھی۔ اس پلان نے مینج مارک ریٹرن کی بہ نسبت، جس میں 4.41% کی کمی واقع ہوئی، اس مدت کے دوران 0.12% منافع فراہم کیا۔

موڈریٹ ایلوکیشن پلان

31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی مالیت 119 ملین روپے تھی جو 30 جون 2021 کو 146 ملین روپے رہی تھی۔ اس پلان نے مینج مارک ریٹرن کی بہ نسبت، جس میں 2.46% کی کمی ہوئی، اس مدت کے دوران 2.47% منافع فراہم کیا۔

کنزرویٹو ایلوکیشن پلان

31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی مالیت 227 ملین روپے تھی جو 30 جون 2021 کو 224 ملین روپے رہی تھی۔ اس پلان نے مینج مارک ریٹرن کی بہ نسبت، جس میں 0.46% کی کمی ہوئی، اس مدت کے دوران 2.71% منافع فراہم کیا۔

میزان ایسیٹ ایلوکیشن پلان-I

31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی مالیت 99 ملین روپے تھی جو 30 جون 2021 کو 156 ملین روپے رہی تھی۔ اس پلان نے مینج مارک ریٹرن کی بہ نسبت، جس میں 4.60% کی کمی ہوئی، اس مدت کے دوران 2.83% منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن فنڈ

میزان اسٹریٹجک ایلوکیشن پلان-I

اس پلان کے خالص اثاثوں کی مالیت 31 دسمبر 2021 کو 519 ملین روپے تھی جو 30 جون 2021 کو 674 ملین روپے رہی تھی۔ اس پلان نے مینج مارک ریٹرن کی بہ نسبت، جس میں 4.47% کی کمی ہوئی، اس مدت کے دوران 0.59% منفی منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن پلان-II

اس پلان کے خالص اثاثوں کی مالیت 31 دسمبر 2021 کو 387 ملین روپے تھی جو 30 جون 2021 کو 452 ملین روپے رہی تھی۔ اس پلان نے مینج مارک ریٹرن کی بہ نسبت، جس میں 4.60% کی کمی ہوئی، اس مدت کے دوران 1.12% منفی منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن پلان-III

31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی مالیت 339 ملین روپے تھی جو 30 جون 2021 کو 501 ملین روپے رہی تھی۔ اس پلان نے مینج مارک ریٹرن کی بہ نسبت، جس میں 4.51% کی کمی ہوئی، اس مدت کے دوران 1.12% منفی منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن پلان-IV

اس پلان کے خالص اثاثوں کی مالیت 31 دسمبر 2021 کو 160 ملین روپے تھی جو 30 جون 2021 کو 213 ملین روپے رہی تھی۔ اس پلان نے مینج مارک ریٹرن کی بہ نسبت، جس میں 4.59% کی کمی ہوئی، اس مدت کے دوران 0.92% منفی منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن پلان - V

اس پلان کے خالص اثاثوں کی مالیت 31 دسمبر 2021 کو 58 ملین روپے تھی جو 30 جون 2021 کو 63 ملین روپے رہی تھی۔ اس پلان نے بیچ مارک ریٹرن کی بہ نسبت، جس میں 4.63% کی کمی ہوئی، اس مدت کے دوران 1.94% منفی منافع فراہم کیا۔

میزان کیپٹل پریزرویشن پلان - III

31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی مالیت 228 ملین روپے تھی جو 30 جون 2021 کو 265 ملین روپے رہی تھی۔ اس پلان نے 0.13% کے بیچ مارک ریٹرن کی بہ نسبت اس مدت کے دوران 2.5% منافع فراہم کیا۔

میزان اسٹریٹجک ایلوکیشن فنڈ - II

میزان کیپٹل پریزرویشن پلان - IV

اس پلان کے خالص اثاثوں کی مالیت 31 دسمبر 2021 کو 723 ملین روپے تھی جو 30 جون 2021 کو 767 ملین روپے رہی تھی۔ اس پلان نے بیچ مارک ریٹرن کی بہ نسبت، جس میں 1.94% کی کمی ہوئی، اس مدت کے دوران 0.12% منافع فراہم کیا۔

میزان کیپٹل پریزرویشن پلان - V

31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی مالیت 85 ملین روپے تھی جو 30 جون 2021 کو 94 ملین روپے رہی تھی۔ اس پلان نے 0.31% کے بیچ مارک ریٹرن کی بہ نسبت اس مدت کے دوران 2.73% منافع فراہم کیا۔

میزان کیپٹل پریزرویشن پلان - VI

اس پلان کے خالص اثاثوں کی مالیت 31 دسمبر 2021 کو 82 ملین روپے تھی جو 30 جون 2021 کو 93 ملین روپے رہی تھی۔ اس پلان نے 1.63% کے بیچ مارک ریٹرن کی بہ نسبت اس مدت کے دوران 4.13% منافع فراہم کیا۔

میزان کیپٹل پریزرویشن پلان - VII

اس پلان کے خالص اثاثوں کی مالیت 31 دسمبر 2021 کو 98 ملین روپے تھی جو 30 جون 2021 کو 104 ملین روپے رہی تھی۔ اس پلان نے 0.95% کے بیچ مارک ریٹرن کی بہ نسبت اس مدت کے دوران 3.07% منافع فراہم کیا۔

میزان کیپٹل پریزرویشن پلان - VIII

یہ پلان 27 اگست 2021 کو مہچور ہوا تھا۔

میزان کیپٹل پریزرویشن پلان - IX

31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی مالیت 96 ملین روپے تھی جو 30 جون 2021 کو 100 ملین روپے رہی تھی۔ اس پلان نے بیچ مارک ریٹرن کی بہ نسبت، جس میں 1.93% کی کمی ہوئی، اس مدت کے دوران 0.26% منفی منافع فراہم کیا۔

میزان گولڈ فنڈ (MGF)

31 دسمبر 2021 کو اس فنڈ کے خالص اثاثہ جات 601 ملین روپے کے تھے جو 30 جون 2021 کو 488 ملین روپے کے تھے اس طرح ان کی مالیت میں 23% کا اضافہ ہوا۔ 31 دسمبر 2021 کو اس فنڈ کے اثاثوں کی فی یونٹ خالص قدر (NAV) 94.5529 روپے تھی جو 30 جون 2021 کو 83.6357 روپے رہی تھی۔ اس پلان نے اس مدت کے دوران 11.19% کے بیچ مارک منفی ریٹرن کے برعکس 13.05% کا منافع ظاہر کیا۔

میزان تحفظ پنشن فنڈ (MTPF)

MTPF چار ذیلی فنڈز یعنی ایکویٹی سب فنڈ، ڈیبٹ سب فنڈ، منی مارکیٹ سب فنڈ اور گولڈ سب فنڈ نامی چار ذیلی فنڈز پر مشتمل ہے۔ 31 دسمبر 2021 کو اختتام پذیر ہونی والی مدت میں ایکویٹی سب فنڈ نے 2.6% کا منفی منافع فراہم کیا اور گولڈ سب فنڈ نے 12.42% کا منافع۔ جب کہ ڈیبٹ اور منی مارکیٹ سب فنڈز نے بالترتیب 7.06% اور 6.52% کا سالانہ منافع دیا۔ ان میں سے ہر فنڈ کی انفرادی کارکردگی کا جائزہ ذیل میں لیا گیا ہے:

ایکویٹی سب فنڈ

اس ذیلی فنڈ کے خالص اثاثہ جات کی مالیت 31 دسمبر 2021 کو 5,171 ملین روپے تھی جو 30 جون 2021 کو 5,511 ملین روپے تھی۔ اس طرح زیر جائزہ مدت کے دوران ڈیبٹ سب فنڈ کی مالیت میں 6% کی کمی آئی۔ 31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی فی یونٹ قدر (NAV) 525.0590 تھی جو 30 جون 2021 کو 539.0946 روپے تھی۔

ڈیبٹ سب فنڈ

اس ذیلی فنڈ کے خالص اثاثہ جات کی مالیت 31 دسمبر 2021 کو 4,582 ملین روپے تھی جو 30 جون 2021 کو 4,334 ملین روپے تھی۔ اس طرح زیر جائزہ مدت کے دوران ڈیبٹ سب فنڈ کی مالیت میں 6% کا اضافہ ہوا۔ 31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی فی یونٹ قدر (NAV) 291.2406 تھی جو 30 جون 2021 کو 281.2267 روپے تھی۔

منی مارکیٹ سب فنڈ

اس ذیلی فنڈ کے خالص اثاثہ جات کی مالیت 31 دسمبر 2021 کو 3,593 ملین روپے تھی جو 30 جون 2021 کو 3,379 ملین روپے تھی یعنی زیر جائزہ مدت کے دوران منی مارکیٹ سب فنڈ کی مالیت میں 2% اضافہ ہوا۔ 31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی فی یونٹ قدر (NAV) 279.6043 تھی جو 30 جون 2021 کو 270.7037 روپے تھی۔

گولڈ سب فنڈ

اس ذیلی فنڈ کے خالص اثاثہ جات کی مالیت 31 دسمبر 2021 کو 135 ملین روپے تھی جو 30 جون 2021 کو 135 ملین روپے تھی۔ 31 دسمبر 2021 کو اس پلان کے خالص اثاثوں کی فی یونٹ قدر (NAV) 178.7059 تھی جو 30 جون 2021 کو 158.9588 روپے تھی۔

توقعات

اہم اقتصادی اشاریے اور ایف بی آر کی آمدنی میں اضافہ ظاہر کرتے ہیں کہ مالی سال 2022 کے لئے حکومت کے مقرر کردہ جی ڈی پی میں 4.0% سے 4.5% کے ٹارگٹ کے حصول کے امکانات روشن ہیں۔ بونٹی ٹیرف اور پیٹرولیم لیوی میں متوقع اضافہ کے سبب ہم توقع کر سکتے ہیں کہ مہنگائی میں کمی نہیں آئے گی اور 9% سے 11% کے اسٹیٹ بینک کے نظر ثانی شدہ تخمینے کی بلند سطح کے قریب رہے گی۔ MPC کا نقطہ نگاہ یہ تھا کہ مالی سال 2023 کے پیش نظر مقرر کردہ حالیہ شرح سود مہنگائی کو 5% تا 7% تک رہے گی، پیداوار میں اعانت کرے گی، اور بیرونی معاشی استحکام قائم رکھے گی۔ اگر زری پالیسی میں رد و بدل کی ضرورت پڑی، تو اس صورت میں MPC نے محض معمولی تبدیلیوں کی توقع کی تھی۔ اس کے علاوہ مالی سال 2022 کے دوران جاری کھاتے کا خسارہ بھی کم ہونے کی توقع ہے کیوں کہ عالمی سطح پر ایشیائے صرف کی قیمتیں معمول پر آنے اور طلب کو معمول پر لانے کے اقدامات کے رد عمل کے طور پر درآمدات کی رفتار بھی دھیمی ہوگی۔ زرمبادلہ کے لچک دار نرخ نے شاک ابزبر کا اپنا کردار بطریق احسن نبھایا ہے لہذا یہ بات اہم ہے کہ برآمدات بڑھا کر، غیر ضروری اشیاء کی درآمدات روکنے والے اقدامات اٹھا کر درآمدات روکنے والی میکرو اکنامک پالیسی رد و بدل کر کے اس کے کردار کو مزید تقویت دی جائے۔

بازار زر کے اسلامی حصے کو سہولیات بہم پہنچانے اور اس میں بہتری لانے کی غرض سے اسٹیٹ بینک آف پاکستان نے تابع شریعہ مضاربہ پر مبنی OMO متعارف کروانے اور اسی طرز پر مالیاتی سہولیات بہم پہنچانے کا فیصلہ کیا ہے۔ اسلامی زری مارکیٹ کو سہارا دینے کی غرض سے اٹھایا جانے والا یہ اقدام مرکزی بینک کے لئے قرض لینے کا ایک اور راستہ کھول دے گا۔ اس کے علاوہ توقع ہے کہ سلوک کا اجراء بھی جاری رہے گا کیوں کہ حکومت مجموعی ملکی قرضوں میں

اسلامی شرعی اصولوں پر لئے جانے والے قرضوں کا حصہ بڑھانے میں سنجیدہ ہے۔ مزید برآں، ہمیں کارپوریٹ سیکٹر سے بھی توقع ہے کہ وہ سکوک اور اسلامی کمرشل پیپرز کے ذریعے فنڈز حاصل کرنے کا چلن جاری رکھے گا۔

ایکویٹی مارکیٹ کے ضمن میں ہم توقع رکھتے ہیں کہ تیز رفتار کارپوریٹ آمدنیوں میں اضافے اور پُرکشش قدرکاری کے سبب مثبت امکانات قائم رہیں گے۔ البتہ بلند تر تجارتی خسارے اور افغانستان میں حکومت کی تبدیلی کے عمل کے باعث بیرونی معاملات میں کئی ایک تشاؤ ویش کا اظہار کیا جا رہا ہے۔ ماضی میں دیکھے گئے معاشی اتار چڑھاؤ سے بچنے کی غرض سے مرکزی بینک نے پیشگی راست اقدامات اٹھائے ہیں تاکہ ملکی معیشت مستحکم رہ سکے۔ نظام میں خرابیوں کو دور کرنے کی غرض سے حکومت مرحلہ وار سخت اقدامات اٹھا رہی ہے۔ امکان ہے کہ آئی ایم ایف کے پروگرام کے دوبارہ شروع ہو جانے کے بعد پاکستان عالمی سطح پر بونڈز جاری کرنے کے قابل ہو جائے گا اور اس طرح بیرونی کھاتے کو لاحق تشاؤ ویش بڑی حد تک دور ہو جائیں گی۔ 8.3x کی طویل المدتی اوسط P/E کی بہ نسبت 4.9x کی P/E کے ساتھ مارکیٹ کی قدرکاری انتہائی پُرکشش ہے۔

اعتراف

ہم اس موقع پر پاکستان کی سب سے بڑی ایسیٹ مینجمنٹ کمپنی المیزان انوسٹمنٹس پر بھروسہ قائم رکھنے پر اپنے قابل قدر سرمایہ کاروں کا تہہ دل سے شکریہ ادا کرتے ہیں۔ ان کے علاوہ ہم ضابطہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور ہمارے ٹرسٹی، سینئرل ڈپازیریٹری کمپنی آف پاکستان کی مدد کے بھی انتہائی مشکور ہیں۔ ہم میزان بینک کے شریعہ سپروائزری بورڈ کے اراکین کے بھی تہہ دل سے مشکور ہیں کہ انہوں نے فنڈز کے انتظام کے شرعی اصول واضح کرتے ہوئے ہمیں مسلسل اعانت فراہم کی ہے۔

برائے و بجا نب بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

مورخہ: 14 فروری 2022



Al Meezan
Investment Management Ltd.

MEEZAN ISLAMIC FUND (MIF)

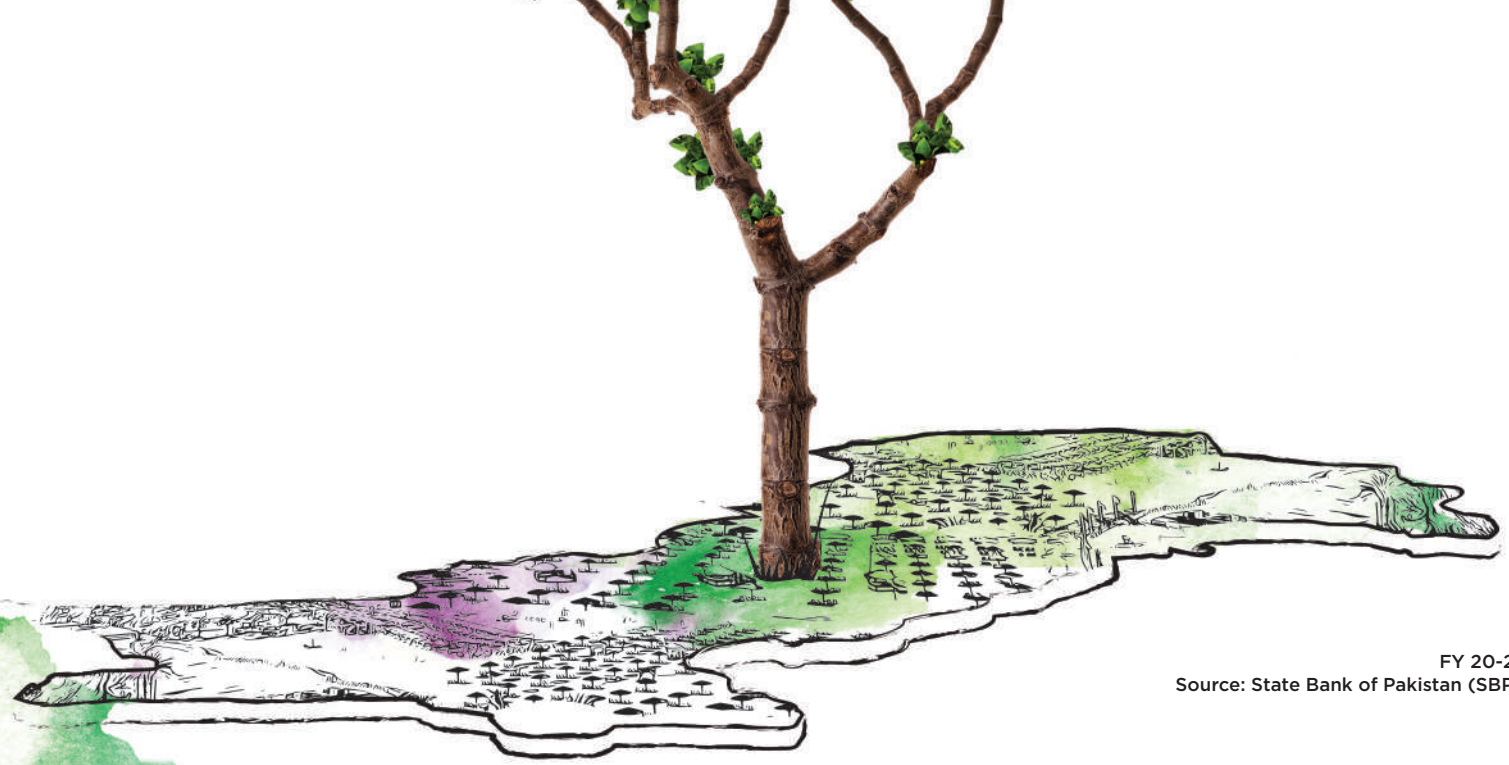
Meezan Islamic Fund seeks to optimize total investor returns by investing in Shariah Compliant equities focusing on both capital gains and dividend income.



PHENOMENAL **GROWTH** IN
FOREIGN
REMITTANCES

BY

27.0%



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	MCB Bank Limited
Askari Bank Limited - Islamic Banking	MCB Islamic Bank Limited
Bank Al Habib Limited - Islamic Banking	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan - Islamic Banking
Bank Islami Pakistan Limited	Samba Bank Limited
Dubai Islamic Bank Pakistan Limited	Sindh Bank Limited
Faysal Bank Limited - Islamic Banking	UBL Ameen - Islamic Banking
Habib Bank Limited -Islamic Banking	

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (9221) 35156191-94 Fax: (9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN ISLAMIC 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 Meezan Islamic Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Islamic Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi



MEEZAN ISLAMIC FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021

	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
Note	(Rupees in '000)	
Assets		
Balances with banks	5 1,759,713	2,061,391
Investments	6 29,268,889	32,886,340
Receivable against sale of investments	26,489	34,569
Receivable against conversion of units	31,248	145,285
Dividend receivable	7,079	84,683
Deposits, prepayments and other receivables	12,090	189,717
Total assets	<u>31,105,508</u>	<u>35,401,985</u>
Liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	7 112,397	92,487
Payable to Central Depository Company of Pakistan Limited - Trustee	3,011	3,314
Payable to Meezan Bank Limited	328	1,035
Payable to the Securities and Exchange Commission of Pakistan	3,322	6,201
Payable against redemption and conversion of units	81,051	85,604
Payable against purchase of investments	101,437	70,503
Accrued expenses and other liabilities	8 325,067	868,818
Total liabilities	<u>626,613</u>	<u>1,127,962</u>
Net assets	<u>30,478,895</u>	<u>34,274,023</u>
Contingencies and commitments	9	
Unit holders' funds (as per statement attached)	<u>30,478,895</u>	<u>34,274,023</u>
	(Number of units)	
Number of units in issue	<u>495,538,085</u>	<u>540,803,980</u>
	(Rupees)	
Net asset value per unit	<u>61.5067</u>	<u>63.3761</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31,		Quarter ended December 31,	
		2021 (Rupees in '000)	2020 (Rupees in '000)	2021 (Rupees in '000)	2020 (Rupees in '000)
Income					
Net realised (loss) / gain on sale of investments		(332,045)	595,135	(403,233)	345,343
Dividend income		1,056,059	645,380	604,486	489,216
Profit on saving accounts with banks		59,169	57,868	26,692	27,623
		<u>783,183</u>	<u>1,298,383</u>	<u>227,945</u>	<u>862,182</u>
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets' at fair value through profit or loss'	6.1	(1,630,410)	5,649,479	(11,245)	1,570,114
Total (loss) / income		<u>(847,227)</u>	<u>6,947,862</u>	<u>216,700</u>	<u>2,432,296</u>
Expenses					
Remuneration of Al Meezan Investment Management Limited - Management Company	7.1	332,205	291,590	158,794	147,418
Sindh Sales Tax on management fee		43,187	37,907	20,644	19,165
Allocated expenses	7.2	18,271	14,579	8,733	7,370
Selling and marketing expense	7.3	166,103	58,318	79,398	29,484
Remuneration of Central Depository Company of Pakistan Limited - Trustee		17,114	15,084	8,191	7,623
Sindh Sales Tax on remuneration of the Trustee		2,225	1,961	1,065	991
Annual fee to the Securities and Exchange Commission of Pakistan		3,322	2,916	1,588	1,474
Auditors' remuneration		527	381	261	159
Charity expense		26,393	19,714	13,038	15,129
Fees and subscription		1,871	1,327	935	659
Legal and professional charges		698	-	514	-
Brokerage expense		20,312	24,972	7,704	15,081
Bank and settlement charges		1,690	1,786	613	862
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	8.1	(525,426)	129,547	-	43,738
Total expenses		<u>108,492</u>	<u>600,082</u>	<u>301,478</u>	<u>289,153</u>
Net (loss) / income for the period before taxation		<u>(955,719)</u>	<u>6,347,780</u>	<u>(84,778)</u>	<u>2,143,143</u>
Taxation	13	-	-	-	-
Net (loss) / income for the period after taxation		<u>(955,719)</u>	<u>6,347,780</u>	<u>(84,778)</u>	<u>2,143,143</u>
Allocation of net income for the period					
Net income for the period after taxation		-	6,347,780		
Income already paid on units redeemed		-	(883,172)		
		<u>-</u>	<u>5,464,608</u>		
Accounting income available for distribution					
- Relating to capital gains		-	5,464,608		
- Excluding capital gains		-	-		
		<u>-</u>	<u>5,464,608</u>		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN ISLAMIC FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021**

	<u>Six months period ended, December 31,</u>		<u>Quarter ended, December 31,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>(Rupees in '000)</u>		<u>(Rupees in '000)</u>	
Net (loss) / income for the period after taxation	(955,719)	6,347,780	(84,778)	2,143,143
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(955,719)</u>	<u>6,347,780</u>	<u>(84,778)</u>	<u>2,143,143</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	2021				2020			
	Capital value	Undistributed income	Over distribution	Total	Capital value	(Accumulated loss) / Undistributed income	Over distribution	Total
	Rupees in '000				Rupees in '000			
Net assets at the beginning of the period	30,603,590	3,670,433	-	34,274,023	26,641,970	(1,860,387)	(709,398)	24,072,185
Issue of 249,435,577 units (December 31, 2020: 371,496,095 units)								
- Capital value (at net asset value per unit at the beginning of the period)	15,808,254	-	-	15,808,254	17,375,244	-	-	17,375,244
- Element of income	14,891	-	-	14,891	2,943,074	-	-	2,943,074
Total proceeds on issuance of units	15,823,145	-	-	15,823,145	20,318,318	-	-	20,318,318
Redemption of 294,701,472 units (December 31, 2020: 362,629,234 units)								
- Capital value (at net asset value per unit at the beginning of the period)	18,677,030	-	-	18,677,030	16,960,532	-	-	16,960,532
- Element of loss	(14,476)	-	-	(14,476)	1,927,055	883,172	-	2,810,227
Total payments on redemption of units	18,662,554	-	-	18,662,554	18,887,587	883,172	-	19,770,759
Total comprehensive (loss) / income for the period	-	(955,719)	-	(955,719)	-	6,347,780	-	6,347,780
Distribution during the period	-	-	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(955,719)	-	(955,719)	-	6,347,780	-	6,347,780
Net assets at the end of the period	27,764,181	2,714,714	-	30,478,895	28,072,701	3,604,221	(709,398)	30,967,524

Undistributed income / (accumulated loss) brought forward

- Realised loss	(2,652,037)	(1,065,399)
- Unrealised income / (loss)	6,322,470	(794,988)
	<u>3,670,433</u>	<u>(1,860,387)</u>

Accounting income available for distribution

- Relating to capital gains	-	5,464,608
- Excluding capital gains	-	-
	-	<u>5,464,608</u>

Net loss for the period after taxation (955,719) -

Undistributed income carried forward 2,714,714 3,604,221

Undistributed income carried forward

- Realised income / (loss)	4,345,124	(2,045,258)
- Unrealised (loss) / income	(1,630,410)	5,649,479
	<u>2,714,714</u>	<u>3,604,221</u>

Net asset value per unit at the beginning of the period	<u>(Rupees)</u> 63.3761	<u>(Rupees)</u> 46.7710
Net asset value per unit at the end of the period	<u>61.5067</u>	<u>59.1492</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN ISLAMIC FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

Note	Six months period ended December 31,	
	2021	2020
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(955,719)	6,347,780
Adjustments for:		
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	1,630,410	(5,649,479)
	674,691	698,301
Decrease / (increase) in assets		
Investments - net	1,987,041	(679,829)
Receivable against sale of investments	8,080	26,582
Dividend receivable	77,604	(37,391)
Deposits, prepayments and other receivables	177,627	343
	2,250,352	(690,295)
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - the Management Company	19,910	6,897
Payable to Central Depository Company of Pakistan Limited - the Trustee	(303)	641
Payable to Meezan Bank Limited	(707)	(453)
Payable to the Securities and Exchange Commission of Pakistan	(2,879)	(2,108)
Payable against purchase of investments	30,934	(37,349)
Accrued expenses and other liabilities	(543,751)	(737)
	(496,796)	(33,109)
Net cash generated from / (used in) operating activities	2,428,247	(25,103)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	15,937,182	20,327,875
Payment against redemption and conversion of units	(18,667,107)	(19,834,766)
Dividend paid	-	(152,480)
Net cash (used in) / generated from financing activities	(2,729,925)	340,629
Net (decrease) / increase in cash and cash equivalents during the period	(301,678)	315,526
Cash and cash equivalents at the beginning of the period	2,061,391	1,755,340
Cash and cash equivalents at the end of the period	5 1,759,713	2,070,866

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Islamic Fund (the Fund) was established under a Trust Deed executed under the Trust Act, 1882 between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on June 16, 2003 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 4, 2003 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (NBFC Regulations, 2008). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Consequently, the Fund is required to be registered under the Sindh Trust Act. Accordingly, on September 2, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund has been formed to enable the unit holders to participate in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The Management Company has appointed Meezan Bank Limited (MBL) as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund is an open-end 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. The Fund is categorized as a Equity Scheme in accordance with Circular 7 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP).

1.4 The Management Company has been assigned a quality rating of AM1 by VIS dated December 27, 2021 (2020: AM1 dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: AM1 dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 The 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

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	December 31,	June 30,
		2021 (Unaudited)	2021 (Audited)
In current accounts		10,509	10,793
In saving accounts	5.1	1,749,204	2,050,598
		<u>1,759,713</u>	<u>2,061,391</u>

5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.5% (2020: 2.5%) per annum. The balance in other saving accounts have an expected profit ranging from 1.5% to 11.50% per annum (2020: 1.5% to 7.32% per annum).

6. INVESTMENTS	Note	December 31,	June 30,
		2021 (Unaudited)	2021 (Audited)
At fair value through profit or loss			
Shares of listed companies - 'ordinary shares'	6.1	<u>29,268,889</u>	<u>32,886,340</u>

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2021	Purchases during the period	Bonus / Right issue	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to		
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)
-----Number of shares-----						----- (Rupees in '000) -----		----- % -----			
Sectors / companies											
Automobile assembler											
Gandhara Industries Limited	-	130,000	-	7,000	123,000	36,921	21,740	(15,181)	0.07	0.07	0.29
Gandhara Nissan Limited	-	303,800	-	80,000	223,800	26,922	17,488	(9,434)	0.06	0.06	0.39
Millat Tractors Limited	590,110	30,000	122,022	194,280	547,852	492,548	472,380	(20,168)	1.55	1.61	0.81
Pak Suzuki Motor Company Limited	50,000	-	-	50,000	-	-	-	-	-	-	-
									1.68	1.74	1.50
Automobile parts and accessories											
Agriauto Industries Limited (note 6.1.1)	140,700	-	-	-	140,700	38,607	31,437	(7,170)	0.10	0.11	0.98
Panther Tyres Limited	202,090	1,250,000	290,418	370,000	1,372,508	85,088	57,316	(27,772)	0.19	0.20	0.82
									0.29	0.31	1.79
Chemicals											
Engro Polymer & Chemicals Limited	16,475,221	1,935,000	-	2,837,000	15,573,221	747,341	844,224	96,883	2.77	2.88	1.71
Dynea Pakistan Limited (Note 6.1.1)	293,000	10,000	-	-	303,000	67,231	65,297	(1,934)	0.21	0.22	3.21
ICI Pakistan Limited	919,535	14,550	-	50,850	883,235	766,215	672,009	(94,206)	2.20	2.30	0.96
Ghani Global Holdings Limited	3,550	-	-	3,550	-	-	-	-	-	-	-
Nimir Resins Limited	375,000	-	-	375,000	-	-	-	-	-	-	-
Sitara Chemicals Industries Limited	30,500	15,000	-	-	45,500	15,306	14,018	(1,288)	0.05	0.05	0.21
									5.23	5.45	6.09
Cement											
Attock Cement Pakistan Limited	425,400	-	-	15,600	409,800	73,690	56,946	(16,744)	0.19	0.19	0.30
Cherat Cement Company Limited	3,335,000	195,000	-	50,000	3,480,000	612,822	516,119	(96,703)	1.69	1.76	1.79
D.G. Khan Cement Company Limited	2,953,649	2,741,991	-	4,641,200	1,054,440	89,808	87,455	(2,353)	0.29	0.30	0.24
Fauji Cement Company Limited	5,129,500	1,122,500	-	29,500	6,222,500	138,216	114,307	(23,909)	0.38	0.39	0.45
Kohat Cement Company Limited	5,354,750	421,200	-	141,700	5,634,250	1,153,313	1,062,620	(90,693)	3.49	3.63	2.81
Lucky Cement Limited	4,365,992	447,174	-	1,375,877	3,437,289	2,919,625	2,334,882	(584,743)	7.66	7.98	1.06
Pioneer Cement Limited	-	650,000	-	-	650,000	68,071	57,688	(10,383)	0.19	0.20	0.29
Power Cement Limited	639,500	-	-	639,500	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	18,186,814	3,569,000	-	6,772,001	14,983,813	673,777	538,668	(135,109)	1.77	1.84	1.36
									15.66	16.29	8.30
Paper and Board											
Cherat Packaging Limited	161,847	-	-	-	161,847	32,193	22,523	(9,670)	0.07	0.08	0.38
Century Paper & Board Mills Limited	3,972,600	151,600	599,640	-	4,723,840	497,935	373,656	(124,279)	1.23	1.28	2.33
Roshan Packages Limited	3,332,500	-	-	-	3,332,500	109,773	65,284	(44,489)	0.21	0.22	2.35
Security Papers Limited	41,000	-	-	41,000	-	-	-	-	-	-	-
Packages Limited	1,649,425	36,390	-	245,250	1,440,565	784,573	716,350	(68,223)	2.35	2.45	1.61
									3.86	4.03	6.67
Technology and communication											
Avanceon Limited	4,519,156	1,037,000	-	4,451,500	1,104,656	107,583	100,656	(6,927)	0.33	0.34	0.43
Airlink communication Limited	-	6,695,500	215,212	4,211,500	2,699,212	179,529	156,716	(22,813)	0.51	0.54	0.68
Octopus Digital Limited	-	92,336	-	50,000	42,336	1,896	3,292	1,396	0.01	0.01	0.03
Netsol Technologies Limited	-	50,000	-	50,000	-	-	-	-	-	-	-
Pakistan Telecommunication Company Limited "A"	3,873,000	-	-	2,918,000	955,000	11,307	8,309	(2,998)	0.03	0.03	0.03
TPL Trakker Limited	605,000	-	-	605,000	-	-	-	-	-	-	-
World call Telecom Limited	1,600,000	1,000,000	-	-	2,600,000	9,966	5,408	(4,558)	0.02	0.02	0.14
Systems Limited	2,440,560	-	-	165,000	2,275,560	1,274,814	1,729,062	454,248	5.67	5.91	1.66
									6.57	6.85	2.97
Refinery											
Attock Refinery Limited	100,000	-	-	100,000	-	-	-	-	-	-	-
Cherygco PK Limited (Formerly Byco petroleum Limited)	21,600,000	39,080,000	-	10,447,500	50,232,500	509,438	342,083	(167,355)	1.12	1.17	0.94
									1.12	1.17	0.94
Commercial Banks											
Meezan Bank Limited (a related party of the Fund)	14,130,816	750,000	2,113,106	1,715,939	15,277,983	1,550,435	2,048,930	498,495	6.72	7.00	0.94
BankIslami Pakistan Limited	14,692,500	2,700,000	-	-	17,392,500	200,852	222,798	21,946	0.73	0.76	1.57
									7.45	7.76	2.51

Name of the investee company	As at July 1, 2021	Purchases during the period	Bonus / Right issue	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to		
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)
						Number of shares		Rupees in '000		%	
Oil and Gas Marketing Companies											
Attock Petroleum Limited	798,334	-	-	-	798,334	256,289	250,677	(5,612)	0.82	0.86	0.80
Hascol Petroleum Limited (note 6.1.2)	40,861	-	-	-	40,861	365	254	(111)	-	-	0.00
Hi-Tech Lubricants Limited	50,000	250,000	10,000	-	310,000	14,947	13,485	(1,462)	0.04	0.05	0.22
Shell Pakistan Limited	265,400	-	-	265,400	-	-	-	-	-	-	-
Pakistan State Oil Company Limited (note 6.1.2)	5,622,901	360,000	-	1,769,111	4,213,790	945,898	766,446	(179,452)	2.51	2.62	0.90
Sui Northern Gas Pipelines Limited	4,175,800	1,983,712	-	550,000	5,609,512	273,593	187,638	(85,955)	0.62	0.64	0.88
									3.99	4.17	2.81
Oil and Gas Exploration Companies											
Oil and Gas Development											
Company Limited	17,615,813	5,320,484	-	2,468,914	20,467,383	1,920,586	1,764,288	(156,298)	5.79	6.03	0.48
Pakistan Oilfields Limited	2,110,607	-	-	663,596	1,447,011	569,920	517,480	(52,440)	1.70	1.77	0.51
Pakistan Petroleum Limited	16,464,880	3,208,005	-	430,700	19,242,185	1,651,937	1,520,902	(131,035)	4.99	5.20	0.71
Mari Petroleum Company Limited (note 6.1.2)	1,794,247	118,860	-	27,500	1,885,607	2,902,128	3,119,228	217,100	10.23	10.66	1.41
									22.71	23.66	3.11
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	69,050	-	-	9,000	60,050	47,581	43,086	(4,495)	0.14	0.15	0.06
AGP Limited	3,242,300	74,100	-	3,316,400	-	-	-	-	-	-	-
GlaxoSmithkline Consumer											
Healthcare Products Limited	364,656	-	-	25,000	339,656	84,945	81,877	(3,068)	0.27	0.28	0.29
Ferozsons Laboratories Limited	24,000	-	-	-	24,000	8,468	7,820	(648)	0.03	0.03	0.07
IBL Healthcare Limited	-	255,700	51,140	-	306,840	25,032	21,509	(3,523)	0.07	0.07	0.47
Highnoon Laboratories Limited (note 6.1.2)	131,760	-	-	-	131,760	79,055	82,725	3,670	0.27	0.28	0.35
The Searle Company Limited (note 6.1.2)	3,527,044	70,000	801,673	1,365,355	3,033,362	563,250	435,955	(127,295)	1.43	1.49	0.97
									2.21	2.30	2.21
Power Generation and Distribution											
The Hub Power Company Limited	13,178,273	7,426,809	-	103,327	20,501,755	1,616,313	1,462,595	(153,718)	4.80	5.00	1.58
K - Electric Limited (6.1.1)	110,064,000	900,000	-	-	110,964,000	463,416	381,716	(81,700)	1.25	1.30	0.40
									6.05	6.30	1.98
Fertilizer											
Fauji Fertilizer Bin Qasim Limited	-	3,568,000	-	-	3,568,000	93,076	88,415	(4,661)	0.29	0.30	0.28
Engro Corporation Limited (note 6.1.3)	6,519,719	294,767	-	1,238,416	5,576,070	1,640,999	1,519,033	(121,966)	4.98	5.19	0.97
Engro Fertilizers Limited	13,834,619	1,200,000	-	1,643,111	13,391,508	944,201	1,018,960	74,759	3.34	3.48	1.00
									8.61	8.97	2.25
Engineering											
Agha Steels Industries Limited	3,138,910	-	137,020	1,427,500	1,848,430	59,379	48,373	(11,006)	0.16	0.17	0.31
Aisha Steel Mills Limited	4,100,000	6,372,500	-	5,409,000	5,063,500	122,578	76,256	(46,322)	0.25	0.26	0.66
Amreli Steel Limited	-	1,936,000	-	-	1,936,000	92,303	86,655	(5,648)	0.28	0.30	0.65
International Industries Limited	2,221,440	25,000	-	905,900	1,340,540	282,065	186,080	(95,985)	0.61	0.64	1.02
Ittefaq Iron Industries Limited	5,181,500	211,000	-	-	5,392,500	101,212	64,548	(36,664)	0.21	0.22	3.74
International Steel Limited	3,308,107	-	-	2,083,491	1,224,616	114,391	80,972	(33,419)	0.27	0.28	0.28
Mughal Iron & Steel Industries Limited	4,237,520	1,963,500	832,098	2,000	7,031,118	653,276	732,010	78,734	2.40	2.50	2.09
KSB Pumps Company Limited	38,700	-	-	800	37,900	8,409	6,025	(2,384)	0.02	0.02	0.29
									4.20	4.39	9.03
Food and Personal Care Products											
Al-Shaheer Corporation Limited (note 6.1.2)	62,711	-	-	-	62,711	1,250	845	(405)	-	-	0.02
At-Tahir Limited	632,049	1,633,000	271,805	-	2,536,854	63,935	58,373	(5,562)	0.19	0.20	1.28
National Foods Limited (note 6.1.1)	254,150	-	63,537	-	317,687	58,205	48,489	(9,716)	0.16	0.17	0.14
The Organic Meat Company Limited	-	950,000	95,000	-	1,045,000	36,945	33,158	(3,787)	0.11	0.11	0.85
Unity Foods Limited	7,888,000	1,591,433	-	7,609,886	1,869,547	79,622	49,487	(30,135)	0.16	0.17	0.19
									0.62	0.65	2.47
Glass and Ceramics											
Ghani Global Glass Limited	460,000	-	-	460,000	-	-	-	-	-	-	-
Shabbir Tiles and Ceramics Limited (Note 6.1.1)											
Tariq Glass Industries Limited	2,395,000	900,000	-	-	3,295,000	109,101	76,905	(32,196)	0.25	0.26	1.01
Ghani Glass Limited	-	21,300	-	-	21,300	1,894	2,311	417	0.01	0.01	0.02
Ghani Glass Limited	1,253,200	-	-	-	1,253,200	60,404	54,577	(5,827)	0.18	0.19	0.15
									0.44	0.46	1.17

Name of the investee company	As at July 1, 2021	Purchases during the period	Bonus / Right issue / Subdivision of shares	Sales / rights exercise during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to					
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)			
						-----Number of shares-----			----- (Rupees in '000) -----			----- % -----		
Textile Composite														
Feroze1888 Mills Limited	1,382,600	8,500	-	-	1,391,100	145,486	107,756	(37,730)	0.35	0.37	0.37			
Interloop Limited	13,250,500	600,000	415,515	475,000	13,791,015	939,259	1,002,469	63,210	3.29	3.43	1.54			
Kohinoor Textile Mills Limited (note 6.1.2)	1,332,014	550,000	-	73,500	1,808,514	140,821	125,547	(15,274)	0.41	0.43	0.60			
Nishat Mills Limited	5,383,500	360,000	-	1,907,200	3,836,300	358,819	305,293	(53,526)	1.00	1.04	1.09			
									5.05	5.27	3.60			
Leather & Tanneries														
Service Global Footwear Limited	1,021,325	-	-	205,000	816,325	47,208	37,845	(9,363)	0.12	0.13	0.40			
Miscellaneous														
Pakistan Aluminum Beverage Cans Limited	-	1,775,942	-	1,772,000	3,942	193	135	(58)	-	-	0.00			
Synthetic Products Enterprises Limited (note 6.1.1)	1,040,525	-	1,207,009	-	2,247,534	44,750	40,567	(4,183)	0.13	0.14	1.13			
									0.13	0.14	1.13			
Right Certificates														
Textile Composite														
Feroze1888 Mills Limited	-	-	82,986	82,986	-	-	-	-	-	-	-			
Food and Personal Care Products														
Unity Foods Limited	-	-	436,506	-	436,506	-	463	463	-	-	0.04			
Total as at December 31, 2021					427,842,230	30,899,299	29,268,889	(1,630,410)						
Total as at June 30, 2021					390,664,729	26,563,870	32,886,340	6,322,470						

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of Agri auto Industries Limited, National Foods Limited, Dynea Pakistan Limited, Synthetic Products Enterprise Limited (nominal value changed from Rs 10 to Rs 5 during the period) and Shabbir Tiles and Ceramics Limited which have a nominal value of Rs 5 each and K-Electric Limited which has a nominal value of Rs 3.5 each.

6.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the year ended June 30, 2020, the CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honourable High of Sindh had issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies.

As at December 31, 2021, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 54.113 million (June 30, 2021: Rs. 62.612 million).

- 6.1.3** Investments include 1,060,000 shares of Engro Corporation Limited, having market value of Rs 288.77 million as at December 31, 2021 (June 30, 2021: Rs. 312.29 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Management fee payable	7.1	8,308	3,738
Sindh Sales Tax payable on remuneration of the Management Company		1,080	486
Allocated expenses payable	7.2	2,838	3,124
Selling and marketing expenses payable	7.3	99,340	82,065
Sales load payable		736	2,720
Sindh Sales Tax on sales load payable		95	354
		<u>112,397</u>	<u>92,487</u>

- 7.1** As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (2020: 2%) per annum of the average net assets of the Fund during the period. The remuneration is payable to the Management Company monthly in arrears.

- 7.2** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged allocated expense at a rate of 0.11% (2020: 0.1%) of the average annual net assets of the scheme for allocation of such expenses to the Fund subject to the total expense charged being lower than actual expense incurred.

- 7.3** In accordance with Circular 11 dated July 5, 2019 with respect to selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at 1% (2020: 0.4%) of the average annual net assets of the Fund for the period subject to the total expense charged being lower than actual expense incurred.

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Provision for Sindh Workers' Welfare Fund (SWWF) Charity payable	8.1	-	525,426
Capital gain tax payable		44,624	50,956
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	8.2	231,867	231,867
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	32,607	32,607
Auditors' remuneration		457	480
Zakat payable		61	139
Printing expenses payable		483	483
Shariah advisory fee payable		1,657	1,650
Brokerage payable		10,581	10,787
		<u>325,067</u>	<u>868,818</u>

- 8.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in the condensed interim financial statements of the Fund.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 264.474 million is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.53 (June 30, 2021: Re 0.49) per unit.

9. CONTINGENCIES AND COMMITMENTS

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

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.



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

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

Details of transactions with connected persons and balances with them are as follows:

	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	8,308	3,738
Sindh Sales Tax payable on remuneration of the Management Company	1,080	486
Sales load payable	736	2,720
Sindh Sales Tax and on sales load payable	95	354
Allocated expenses payable	2,838	3,124
Selling and marketing expenses payable	99,340	82,065
Investment of 713,147 units (June 30, 2021: 2,005,066 units)	43,863	127,073
Meezan Bank Limited		
Balance with bank	266,352	162,187
Profit receivable on saving accounts	90	125
Sales load payable	290	916
Sindh Sales Tax on sales load payable	38	119
Shariah advisor fee payable	1,657	1,650
Investment in 15,277,983 shares (June 30, 2021: 14,130,816 shares)	2,048,930	1,630,837
Investment of 12,475,049 units (June 30, 2021: 12,475,049 units)	767,299	790,620
Central Depository Company of Pakistan Limited - the Trustee		
Payable to Central Depository Company of Pakistan Limited - Trustee	2,665	2,933
Sindh Sales Tax on trustee fee payable	346	381
Security deposit	100	100
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Investment of 189,837 units (June 30, 2021: 189,837 units)	11,676	12,031
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Investment of 4,110,442 units (June 30, 2021: 4,122,205 units)	252,820	261,249
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Investment of 969,405 units (June 30, 2021: 1,187,441 units)	59,625	75,255
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Investment of 927,428 units (June 30, 2021: 898,279 units)	57,043	56,929
Meezan Strategic Allocation Fund - MSAP - I		
Investment of 1,240,665 units (June 30, 2021: 2,730,594 units)	76,309	173,054
Meezan Strategic Allocation Fund - MSAP - II		
Investment of 3,523,674 units (June 30, 2021: 1,579,575 units)	216,730	100,107
Meezan Strategic Allocation Fund - MSAP - III		
Investment of 893,280 units (June 30, 2021: 2,541,472 units)	54,943	161,069
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of nil units (June 30, 2021: 22,509 units)	-	1,427
Meezan Strategic Allocation Fund - MSAP - V		
Investment of 25,850 units (June 30, 2021: 26,286 units)	1,590	1,666
Directors and executives of the Management Company		
Investment of 16,407,107 units (June 30, 2021: 12,989,655 units)	1,009,147	823,234

Transactions during the period

**Six months period ended
December 31,**
2021 2020
(Unaudited)
(Rupees in '000)

Al Meezan Investment Management Limited - the Management Company

 Remuneration of Al Meezan Investment Management Limited -
Management Company

Sindh Sales Tax on management fee

Allocated expenses

Selling and marketing expense

Units issued: 4,055,707 units (2020: 5,607,792 units)

Units redeemed: 5,347,626 units (2020: 6,366,047 units)

332,205	291,590
43,187	37,907
18,271	14,579
166,103	58,318
260,000	305,000
335,000	334,482

Meezan Bank Limited

Profit on saving accounts

Shares purchased: 750,000 shares (2020: 2,212,001 shares)

Shares sold: 1,715,939 shares (2020: 530,000 shares)

Bonus issue: 2,113,106 (2020: 1,258,209 shares)

Shariah advisor fee

Dividend income

613	570
103,447	189,769
239,231	47,148
-	-
1,857	1,313
45,278	60,461

Central Depository Company of Pakistan Limited - the Trustee

Trustee fee

Sindh Sales Tax on trustee fee

CDS charges

17,114	15,084
2,225	1,961
518	567

Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan

Units issued: 320,490 units (2020: 60,948 units)

Units redeemed: 332,253 units (2020: 782,881 units)

19,696	3,375
21,000	41,746

Meezan Financial Planning Fund of Funds - Moderate Allocation Plan

Units issued: 355,287 units (2020: 162,005 units)

Units redeemed: 573,323 units (2020: 406,312 units)

22,542	9,000
35,250	21,571

Meezan Financial Planning Fund of Funds - Conservative Allocation Plan

Units issued: 166,082 units (2020: 75,590 units)

Units redeemed: 136,933 units (2020: 274,716 units)

10,280	4,375
8,375	14,644

Meezan Financial Planning Fund of Funds - MAAP - I

Units issued: 47,581 units (2020: 206,351 units)

Units redeemed: 47,581 units (2020: 1,984,047 units)

3,000	11,000
2,844	114,000

Meezan Strategic Allocation Fund - MSAP - I

Units issued: 316,621 units (2020: 1,903,093 units)

Units redeemed: 1,806,550 units (2020: 1,559,604 units)

20,048	101,000
110,450	85,500

Meezan Strategic Allocation Fund - MSAP - II

Units issued: 2,607,990 units (2020: 769,610 units)

Units redeemed: 663,891 units (2020: 1,050,075 units)

168,546	41,500
41,480	55,500

Meezan Strategic Allocation Fund - MSAP - III

Units issued: 158,604 units (2020: 288,979 units)

Units redeemed: 1,806,796 units (2020: 4,957,220 units)

10,000	15,000
113,050	264,850

Meezan Strategic Allocation Fund - MSAP - IV

Units issued: 47,581 units (2020: 313,061 units)

Units redeemed: 70,090 units (2020: 7,166,644 units)

3,000	16,500
4,300	384,500



Transactions during the period

Six months period ended

December 31,

2021 2020

(Unaudited)

(Rupees in '000)

Meezan Strategic Allocation Fund - MSAP - V

Units issued: 7,930 units (2020: 66,279 units)

Units redeemed: 8,366 units (2020: 2,025,944 units)

500	3,500
500	111,090

Directors and executives of the Management Company

Units issued: 4,343,946 units (2020: 1,252,020 units)

Units redeemed: 927,935 units (2020: 1,844,787 units)

277,821	69,570
57,942	95,664

11. FAIR VALUE MEASUREMENT

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

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

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

11.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			

Financial assets 'at fair value through profit or loss'

Shares of listed companies - 'ordinary shares' 29,268,889 - - 29,268,889

	As at June 30, 2021			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			

Financial assets 'at fair value through profit or loss'

Shares of listed companies - 'ordinary shares' 32,886,340 - - 32,886,340

12. TOTAL EXPENSE RATIO

The annualised Total Expense Ratio (TER) of the Fund as at December 31, 2021 is 3.82% (2020: 3.68%) which includes 0.31% (2020: 0.76%) representing government levies on the Fund such as Sales Taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Equity Scheme.

13. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION

These condensed interim financial statements was authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

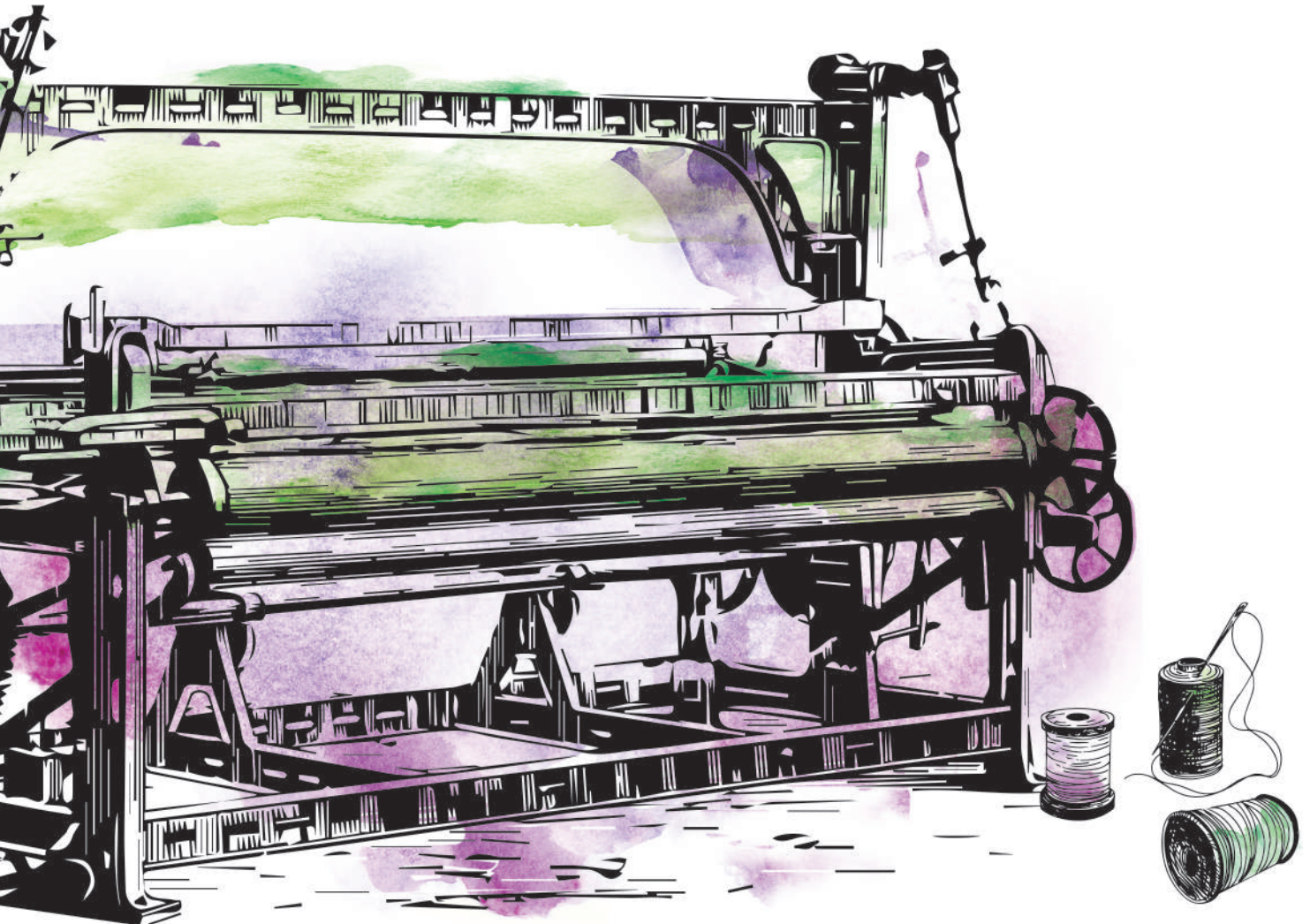
Director



Al Meezan
Investment Management Ltd.

AL MEEZAN MUTUAL FUND (AMMF)

Al Meezan Mutual Fund aims to optimize the total investment returns in the form of capital gains and dividend income, through prudent investment management.



RISING ECONOMY
WITH A
GROWTH
RATE OF

3.94%



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road, Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	MCB Islamic Bank Limited
Askari Bank Limited - Islamic Banking	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan - Islamic Banking
Bank Islami Pakistan Limited	Sindh Bank Limited
Dubai Islamic Bank Pakistan Limited	UBL Ameen - Islamic Banking
Faysal Bank Limited - Islamic Banking	

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial
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Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

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Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400,
Pakistan. Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
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Fax: (92-21) 34326020 - 23
URL: www.cdcPakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL MEEZAN MUTUAL 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 Meezan Mutual Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Al Meezan Mutual Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi



**AL MEEZAN MUTUAL FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021**

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	171,606	296,501
Investments	6	4,947,079	4,650,421
Receivable against sale of investments		16,481	12,682
Receivable against conversion of units		6,740	36,375
Dividend receivable		1,157	21,910
Deposits, prepayments and profit receivable		3,797	71,219
Total assets		<u>5,146,860</u>	<u>5,089,108</u>
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	17,229	13,185
Payable to Central Depository Company of Pakistan Limited - Trustee		584	557
Payable to the Securities and Exchange Commission of Pakistan		486	937
Payable to Meezan Bank Limited		43	101
Payable against purchase of investments		84	-
Payable against redemption and conversion of units		15,100	16,040
Accrued expenses and other liabilities	8	58,475	135,530
Dividend payable		4,917	4,917
Total liabilities		<u>96,918</u>	<u>171,267</u>
Net assets		<u>5,049,942</u>	<u>4,917,841</u>
Contingencies and commitments	9		
Unit holders' fund (as per statement attached)		<u>5,049,942</u>	<u>4,917,841</u>
		(Number of units)	
Number of units in issue		<u>295,227,257</u>	<u>278,685,368</u>
		(Rupees)	
Net asset value per unit		<u>17.1053</u>	<u>17.6466</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

AL MEEZAN MUTUAL FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31,		Quarter ended December 31,	
		2021 (Rupees in '000)	2020 (Rupees in '000)	2021 (Rupees in '000)	2020 (Rupees in '000)
Income					
Net realised (loss) / gain on sale of investments		(68,288)	122,105	(66,072)	48,494
Dividend income		145,439	100,048	86,629	74,304
Profit on savings accounts with banks		7,792	7,749	3,678	3,514
		<u>84,943</u>	<u>229,902</u>	<u>24,235</u>	<u>126,312</u>
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1	<u>(238,403)</u>	<u>817,077</u>	<u>(27,008)</u>	<u>232,894</u>
Total (loss) / income		<u>(153,460)</u>	<u>1,046,979</u>	<u>(2,773)</u>	<u>359,206</u>
Expenses					
Remuneration of Al Meezan Investment Management Limited - Management Company	7.1	48,593	45,556	24,395	22,804
Sindh Sales Tax on remuneration of the Management Company		6,317	5,922	3,171	2,964
Allocated expenses	7.2	2,673	2,278	1,342	1,140
Selling and marketing expenses	7.3	24,297	9,111	12,198	4,561
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,934	2,782	1,472	1,392
Sindh Sales Tax on remuneration of the Trustee		381	362	191	181
Annual fee to the Securities and Exchange Commission of Pakistan		486	456	244	228
Auditors' remuneration		469	472	223	219
Legal and professional charges		184	-	-	-
Charity expense		3,705	3,107	1,857	2,365
Fees and subscription		260	141	152	80
Brokerage expense		5,399	4,773	2,761	2,787
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	8.1	(77,691)	19,432	-	6,404
Bank and settlement charges		558	401	278	252
Total expenses		<u>18,565</u>	<u>94,793</u>	<u>48,284</u>	<u>45,377</u>
Net (loss) / income for the period before taxation		<u>(172,025)</u>	<u>952,186</u>	<u>(51,057)</u>	<u>313,829</u>
Taxation	12	-	-	-	-
Net (loss) / income for the period after taxation		<u>(172,025)</u>	<u>952,186</u>	<u>(51,057)</u>	<u>313,829</u>
Allocation of net income for the period					
Net income for the period after taxation		-	952,186	-	-
Income already paid on units redeemed		-	(78,525)	-	-
		<u>-</u>	<u>873,661</u>	<u>-</u>	<u>-</u>
Accounting income available for distribution					
- Relating to capital gains		-	873,661	-	-
- Excluding capital gains		-	-	-	-
		<u>-</u>	<u>873,661</u>	<u>-</u>	<u>-</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



AL MEEZAN MUTUAL FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Six months period ended, December 31,		Quarter ended, December 31,	
	2021 (Rupees in '000)	2020	2021 (Rupees in '000)	2020
Net (loss) / income for the period after taxation	(172,025)	952,186	(51,057)	313,829
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(172,025)</u>	<u>952,186</u>	<u>(51,057)</u>	<u>313,829</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

AL MEEZAN MUTUAL FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020			
	Capital value	Undistributed income	Total	Capital value	(Accumulated loss) / Undistributed income	Over distribution	Total
	----- Rupees in 000-----			----- Rupees in 000-----			
Net assets at the beginning of the period	4,144,037	773,804	4,917,841	4,045,463	(109,627)	(22,499)	3,913,337
Issuance of 138,041,719 units (2020: 121,714,084 units)							
- Capital value (at net asset value per unit at the beginning of the period)	2,435,967	-	2,435,967	1,620,939	-	-	1,620,939
- Element of income	13,564	-	13,564	261,031	-	-	261,031
Total proceeds on issuance of units	2,449,531	-	2,449,531	1,881,970	-	-	1,881,970
Redemption of 121,499,830 units (2020: 127,532,550 units)							
- Capital value (at net asset value per unit at the beginning of the period)	2,144,059	-	2,144,059	1,698,427	-	-	1,698,427
- Element of loss	1,346	-	1,346	193,190	78,525	-	271,715
Total payments on redemption of units	2,145,405	-	2,145,405	1,891,617	78,525	-	1,970,142
Total comprehensive (loss) / income for the period	-	(172,025)	(172,025)	-	952,186	-	952,186
Distribution for the period	-	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(172,025)	(172,025)	-	952,186	-	952,186
Net assets at the end of the period	<u>4,448,163</u>	<u>601,779</u>	<u>5,049,942</u>	<u>4,035,816</u>	<u>764,034</u>	<u>(22,499)</u>	<u>4,777,351</u>
Undistributed income / (accumulated loss) brought forward							
- Realised loss		(27,472)			(77,132)		
- Unrealised income / (loss)		801,276			(32,495)		
		<u>773,804</u>			<u>(109,627)</u>		
Accounting income available for distribution							
- Relating to capital gains		-			873,661		
- Excluding capital gains		-			-		
		-			873,661		
Net loss for the period after taxation		(172,025)			-		
Undistributed income carried forward		<u>601,779</u>			<u>764,034</u>		
Undistributed income carried forward							
- Realised income / (loss)		840,182			(53,043)		
- Unrealised (loss) / income		(238,403)			817,077		
		<u>601,779</u>			<u>764,034</u>		
Net asset value per unit at the beginning of the period			<u>(Rupees)</u> <u>17.6466</u>				<u>(Rupees)</u> <u>13.3176</u>
Net asset value per unit at the end of the period			<u>17.1053</u>				<u>16.5864</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**AL MEEZAN MUTUAL FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

Note	Six months period ended December 31,	
	2021	2020
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
	(172,025)	952,186
Adjustments for:		
	Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	
6.1	238,403	(817,077)
	66,378	135,109
(Increase) / decrease in assets		
	(535,061)	(31,516)
	(3,799)	(7,551)
	20,753	3,252
	67,422	(1,375)
	(450,685)	(37,190)
Increase / (decrease) in liabilities		
	4,044	669
	27	94
	(58)	29
	(451)	(397)
	84	5,366
	(77,055)	10,460
	(73,409)	16,221
	(457,716)	114,140
CASH FLOWS FROM FINANCING ACTIVITIES		
	2,479,166	1,892,476
	(2,146,345)	(1,966,149)
	-	(14,655)
	332,821	(88,328)
	(124,895)	25,812
	296,501	259,646
5	171,606	285,458

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

AL MEEZAN MUTUAL FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Al Meezan Mutual Fund (the Fund) was constituted by virtue of a scheme of arrangement for conversion of Al Meezan Mutual Fund Limited (AMMFL) into an Open End Scheme under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed under the Trust Act, 1882 on June 17, 2011 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 14, 2011 in accordance with the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on September 3, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund has been formed to provide maximum total return to the unit holders from investment in "Shariah Compliant" equity investments for the given level of risk, while abiding by the regulations and any other prevailing rules and regulations. At least seventy percent of its net assets shall remain invested in listed equity securities during the year based on quarterly average investment calculated on daily basis. The remaining net assets shall be invested in cash and cash equivalents. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund is an open-end 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 is categorised as an Equity Scheme.

1.4 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 27, 2021 (2020: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: 'AM1' dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 The 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

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
		(Rupees in '000)	
Balances with banks in:			
Savings accounts	5.1	161,220	285,161
Current accounts		10,386	11,340
		<u>171,606</u>	<u>296,501</u>

5.1 This includes a balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.50% (June 30, 2021: 2.50%) per annum. Other savings accounts of the Fund have expected rates of profit ranging from 1.50% to 11.50% (June 30, 2021: 1.50% to 7.32%) per annum.

6. INVESTMENTS

At fair value through profit or loss

Shares of listed companies - 'ordinary shares'

Note	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	(Rupees in '000)	
6.1	4,947,079	4,650,421

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2021	Purchased during the period	Bonus / right shares	Sold / exercised during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market Value as at December 31, 2021	Unrealised (diminution) / appreciation as at December 31, 2021	Percentage in relation to				
									Net assets of the Fund	Market value of total invest- ments	Paid-up capital of investee company (with face value of investment)		
					(Number of shares)			(Rupees in '000)			%		
Automobile Assembler													
Gandhara Industries Limited	2,200	42,500	-	-	44,700	11,144	7,901	(3,243)	0.16	0.16	0.10		
Gandhara Nissan Limited	-	200,000	-	200,000	-	-	-	-	-	-	-		
Millat Tractors Limited	80,356	10,000	17,071	-	107,427	96,710	92,628	(4,082)	1.83	1.87	0.16		
									1.99	2.03	0.26		
Automobile Parts and Accessories													
Panther Tyres Limited	47,735	470,000	98,547	530,000	86,282	5,421	3,603	(1,818)	0.07	0.07	0.05		
									0.07	0.07	0.05		
Cement													
Attock Cement Pakistan Limited **	400	-	-	-	400	72	56	(16)	-	-	-		
Cherat Cement Company Limited	422,700	440,000	-	21,100	841,600	134,612	124,818	(9,794)	2.47	2.52	0.43		
D.G. Khan Cement Company Limited	650,150	1,356,000	-	805,000	1,201,150	111,091	99,623	(11,468)	1.97	2.01	0.27		
Fauji Cement Company Limited	60,000	750,000	-	-	810,000	15,498	14,880	(618)	0.29	0.30	0.06		
Kohat Cement Company Limited	650,820	116,000	-	27,500	739,320	150,510	139,436	(11,074)	2.76	2.82	0.37		
Lucky Cement Limited	565,630	171,000	-	215,500	521,130	429,834	353,993	(75,841)	7.01	7.17	0.16		
Power Cement Limited	-	1,000,000	-	1,000,000	-	-	-	-	-	-	-		
Maple Leaf Cement Factory Limited	2,247,577	2,652,505	-	1,126,000	3,774,082	155,012	135,678	(19,334)	2.69	2.74	0.34		
									17.19	17.56	1.63		
Chemicals													
Dynea Pakistan Limited (note 6.1.1)	119,500	-	-	-	119,500	26,410	25,752	(658)	0.51	0.52	0.63		
Engro Polymer and Chemicals Limited	2,487,041	371,000	-	230,000	2,628,041	128,328	142,466	14,138	2.82	2.88	0.29		
ICI Pakistan Limited	150,179	10,500	-	25,250	135,429	116,613	103,041	(13,572)	2.04	2.08	0.15		
Sitara Chemical Industries Limited	29,200	103,100	-	29,200	103,100	29,493	31,763	2,270	0.63	0.64	0.48		
									6.00	6.12	1.55		
Commercial Banks													
BankIslami Pakistan Limited	5,821,000	1,138,000	-	-	6,959,000	82,352	89,145	6,793	1.77	1.80	0.63		
Meezan Bank Limited (a related party of the Fund)	2,143,955	250,000	291,593	400,000	2,285,548	238,760	306,515	67,755	6.07	6.20	0.14		
									7.84	8.00	0.77		
Engineering													
Agha Steel Industries Limited	672,000	200,000	24,850	896,850	-	-	-	-	-	-	-		
Aisha Steel Mills Limited	1,325,000	1,100,000	-	2,425,000	-	-	-	-	-	-	-		
Amreli Steels Limited	-	1,305,000	-	-	1,305,000	60,900	58,412	(2,488)	1.16	1.18	0.44		
International Industries Limited	354,300	65,000	-	198,100	221,200	44,347	30,705	(13,642)	0.61	0.62	0.17		
International Steels Limited	289,500	-	-	289,500	-	-	-	-	-	-	-		
Ittefaq Iron Industries Limited	640,000	600,000	-	-	1,240,000	21,199	14,843	(6,356)	0.29	0.30	0.86		
Mughal Iron & Steel Industries Limited	517,980	479,600	117,837	-	1,115,417	105,140	116,126	10,986	2.30	2.35	0.33		
									4.36	4.45	1.80		
Fertilizer													
Engro Corporation Limited (note 6.1.2)	976,790	140,000	-	195,161	921,629	270,296	251,070	(19,226)	4.97	5.09	0.16		
Fauji Fertilizer Bin Qasim Limited	-	1,273,500	-	-	1,273,500	33,123	31,557	(1,566)	0.62	0.64	0.10		
Engro Fertilizers Limited	1,277,500	760,800	-	-	2,038,300	148,030	155,094	7,064	3.07	3.14	0.15		
									8.66	8.87	0.41		
Food and Personal Care Products													
At-Tahur Limited	-	1,382,500	152,340	-	1,534,840	39,746	35,317	(4,429)	0.70	0.71	0.77		
Al-Shaheer Corporation Limited **	12,997	-	-	-	12,997	259	175	(84)	0.02	0.02	-		
National Foods Limited (note 6.1.1)	6,150	-	1,537	-	7,687	1,408	1,173	(235)	0.02	0.02	-		
Unity Foods Limited	760,000	520,782	-	1,280,782	-	-	-	-	-	-	-		
									0.72	0.73	0.77		



Name of the investee company	As at July 1, 2021	Purchased during the period	Bonus / right shares	Sold / exercised during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market Value as at December 31, 2021	Unrealised (diminution) / appreciation as at December 31, 2021	Percentage in relation to		
									Net assets of the Fund	Market value of total investments	Paid-up capital of investee company (with face value of investment)
						(Rupees in '000)		%			
Glass and Ceramics											
Ghani Glass Limited	702,625	-	-	204,500	498,125	24,010	21,693	(2,317)	0.43	0.44	0.09
Shabbir Tiles & Ceramics Limited (note 6.1.1)	770,000	125,500	-	-	895,500	29,931	20,901	(9,030)	0.41	0.42	0.27
									0.84	0.86	0.36
Leather and Tanneries											
Service GlobalFootwear Limited	234,224	-	-	234,224	-	-	-	-	-	-	-
									-	-	-
Miscellaneous											
Pakistan Aluminium Beverage Cans Limited	-	674,760	-	674,760	-	-	-	-	-	-	-
Synthetic Products Enterprises Limited (note 6.1.1)	545	-	-	545	-	-	-	-	-	-	-
									-	-	-
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited	286,581	55,100	-	35,440	306,241	473,961	506,593	32,632	10.03	10.24	0.23
Oil and Gas Development Company Limited	2,341,388	1,179,000	-	195,500	3,324,888	307,608	286,605	(21,003)	5.68	5.80	0.08
Pakistan Oilfields Limited	282,409	94,000	-	34,000	342,409	132,656	122,452	(10,204)	2.42	2.48	0.12
Pakistan Petroleum Limited	2,760,363	895,943	-	508,035	3,148,271	262,849	248,839	(14,010)	4.93	5.03	0.12
									23.06	23.55	0.55
Oil and Gas Marketing Companies											
Attock Petroleum Limited	39,138	-	-	-	39,138	12,564	12,289	(275)	0.24	0.25	0.04
Hascol Petroleum Limited (note 6.1.3) **	7,946	-	-	-	7,946	71	49	(22)	-	-	-
Pakistan State Oil Company Limited (note 6.1.3)	902,913	353,000	-	166,000	1,089,913	226,827	198,244	(28,583)	3.93	4.01	0.23
H-Tech Lubricants Limited	9,000	-	1,800	10,800	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	1,073,000	1,050,000	-	6,000	2,117,000	99,706	70,814	(28,892)	1.40	1.43	0.33
									5.57	5.69	0.60
Paper and Board											
Century Paper & Board Mills Limited	733,000	74,700	94,950	100,000	802,650	83,265	63,490	(19,775)	1.26	1.28	0.40
Cherat Packaging Limited	180	-	-	180	-	-	-	-	-	-	-
Packages Limited	221,928	23,500	-	12,250	233,178	126,218	115,952	(10,266)	2.30	2.34	0.26
Security Papers Limited	46,800	-	-	46,800	-	-	-	-	-	-	-
									3.56	3.62	0.66
Pharmaceuticals											
AGP Limited	476,250	-	-	476,250	-	-	-	-	-	-	-
GlaxoSmithKline Consumer Healthcare	117,200	-	-	-	117,200	29,311	28,252	(1,059)	0.56	0.57	0.10
Highnoon Laboratories Limited (note 6.1.3)	1,926	-	-	-	1,926	1,156	1,209	53	0.02	0.02	0.01
IBL HealthCare Limited	163,500	-	17,400	119,500	61,400	5,686	4,304	(1,382)	0.09	0.09	0.09
The Searle Company Limited (note 6.1.3)	414,420	36,900	113,826	75,000	490,146	90,765	70,444	(20,321)	1.39	1.42	0.16
									2.06	2.10	0.36
Power Generation and Distribution											
K-Electric Limited (note 6.1.1)	13,887,500	2,318,500	-	233,000	15,973,000	65,244	54,947	(10,297)	1.09	1.11	0.06
The Hub Power Company Limited	1,801,316	1,360,000	-	144,907	3,016,409	236,222	215,191	(21,031)	4.26	4.35	0.23
									5.35	5.46	0.29
Refinery											
Attock Refinery Limited	40,000	75,000	-	115,000	-	-	-	-	-	-	-
Energycico PK Limited (formerly Byco Petroleum Pakistan Limited)	3,160,000	6,850,000	-	1,390,000	8,620,000	83,252	58,702	(24,550)	1.16	1.19	0.16
National Refinery Limited	-	50,000	-	-	50,000	12,629	14,230	1,601	0.28	0.29	0.06
Pakistan Refinery Limited	-	850,000	-	850,000	-	-	-	-	-	-	-
									1.44	1.48	0.22
Technology and Communication											
Air Link Communication Limited	-	1,123,000	33,525	599,000	557,525	36,995	32,370	(4,625)	0.64	0.65	0.14
Avanceon Limited	507,128	50,000	-	557,128	-	-	-	-	-	-	-
Octopus Digital Limited	-	74,836	-	74,836	-	-	-	-	-	-	-
Systems Limited	319,175	30,000	-	65,700	283,475	164,905	215,396	50,491	4.27	4.35	0.21
TPL Trakker Limited	72,000	-	-	72,000	-	-	-	-	-	-	-
									4.91	5.00	0.35

Name of the investee company	As at July 1, 2021	Purchased during the period	Bonus / right shares	Sold / exercised during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market Value as at December 31, 2021	Unrealised (diminution) / appreciation as at December 31, 2021	Percentage in relation to		
									Net assets of the Fund	Market value of total investments	Paid-up capital of investee company (with face value of investment)
						(Rupees in '000)			%		

Textile Composite

Interloop Limited	1,623,500	536,000	56,685	-	2,216,185	153,570	161,094	7,524	3.19	3.26	0.25
Kohinoor Textile Mills Limited	40,000	214,500	-	75,500	179,000	14,761	12,426	(2,335)	0.25	0.25	0.06
Nishat Mills Limited	628,100	177,700	-	437,000	368,800	34,101	29,349	(4,752)	0.58	0.59	0.10
Feroze1888 Mills Limited	199,700	11,982	-	-	211,682	20,911	15,474	(5,437)	0.31	0.31	0.06
									4.33	4.41	0.47

Rights certificates

Textile Composite

Feroze1888 Mills Limited *	-	-	11,982	11,982	-	-	-	-	-	-	-
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Total as at December 31, 2021

5,185,482 4,947,079 (238,403) 97.95 100.00

Total as at June 30, 2021

3,849,145 4,650,421 801,276 94.58 100.00

** Nil figures due to rounding off difference

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of National Foods Limited, Dynea Pakistan Limited, Shabbir Tiles & Ceramics Limited and Synthetic Products Enterprises Limited which have a nominal value of Rs 5 each and K-Electric Limited which have a nominal value of Rs 3.5 each.

6.1.2 Investments include 202,000 shares (June 30, 2021: 202,000 shares) of Engro Corporation Limited, having market value of Rs 55.029 million (June 30, 2021: Rs 59.511 million) as at December 31, 2021, have been pledged as collateral in favour of National Clearing Company Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

6.1.3 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgment on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the year ended June 30, 2020, the CISs had filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honourable High Court of Sindh had issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the Management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies.

As at December 31, 2021, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 8.148 million (June 30, 2021: Rs. 9.261 million).



7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	December 31,	June 30,
		2021 (Unaudited)	2021 (Audited)
		(Rupees in '000)	
Remuneration payable	7.1	1,427	577
Sindh Sales Tax payable on remuneration of the Management Company		186	75
Allocated expenses payable	7.2	473	450
Selling and marketing expenses payable	7.3	14,978	11,878
Sales load payable		146	181
Sindh Sales Tax payable on sales load		19	24
		17,229	13,185

7.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (December 31, 2020: 2%) per annum of the average annual net assets of the Fund during the period ended December 31, 2021. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged such expenses at the rate of 0.11% (December 31, 2020: 0.1%) of the average annual net assets of the Fund during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred.

7.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the rate of 1% (December 31, 2020: 0.4%) per annum of the average annual net assets of the Fund during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred.

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31,	June 30,
		2021 (Unaudited)	2021 (Audited)
		(Rupees in '000)	
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	-	77,691
Auditors' remuneration payable		384	585
Brokerage payable		6,433	5,236
Shariah advisor fee payable		186	209
Charity payable		9,129	9,024
Capital gain tax payable		1,029	1,469
Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	8.2	37,524	37,524
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	3,732	3,732
Zakat payable		58	60
		58,475	135,530

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

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

With effect from July 01, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution, the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 41.256 million is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at December 31, 2021 would have been higher by Re 0.14 (June 30, 2021: Re 0.15) per unit.

9. CONTINGENCIES AND COMMITMENTS

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

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:



Balances

**December 31,
2021
(Unaudited)
(Rupees in '000)**

**June 30,
2021
(Audited)**

Al Meezan Investment Management Limited - Management Company

Remuneration payable	1,427	577
Sindh Sales Tax payable on remuneration of the Management Company	186	75
Sales load payable	146	181
Sindh Sales Tax payable on sales load	19	24
Selling and marketing expenses payable	14,978	11,878
Allocated expenses payable	473	450
Investment of 21,384,828 units (June 30, 2021: 24,508,118 units)	365,794	432,484

Meezan Bank Limited

Profit receivable on saving account	71	64
Balances with bank	12,561	11,958
Sales load payable	38	89
Sindh Sales Tax on sales load payable	5	12
Shariah advisor fee payable	186	209
Investment of 2,285,548 shares (June 30, 2021: 2,143,955 shares)	306,515	247,434
Investment of 22,984,581 units (June 30, 2021: 22,984,581 units)	393,158	405,599

Central Depository Company of Pakistan Limited - Trustee

Security deposits	238	238
Remuneration payable	517	493
Sindh Sales Tax payable on remuneration of the Trustee	67	64

MSAF- Meezan Strategic Allocation Plan- I

Investment of 9,530,913 units (June 30, 2021: 9,530,913 units)	163,029	168,188
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MSAF - Meezan Strategic Allocation Plan II

Investment of 3,453,209 units (June 30, 2021: 11,986,975 units)	59,068	211,529
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MSAF - Meezan Strategic Allocation Plan - III

Investment of 2,682,179 units (June 30,2021: 2,701,461 units)	45,879	47,672
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MSAF- Meezan Strategic Allocation Plan IV

Investment of 1,896,388 units (June 30, 2021: 2,774,152 units)	32,438	48,954
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MSAF - Meezan Strategic Allocation Plan - V

Investment of 130,368 units (June 30,2021: 130,368 units)	2,230	2,301
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Meezan Financial Planning Fund of Funds - MAAP - I

Investment of 1,379,799 units (June 30, 2021: 3,758,262 units)	23,602	66,320
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Pakistan Kuwait Investment Company (Private) Limited

Investment of 16,895,690 units (June 30, 2021: 16,895,690 units)	289,006	298,151
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Directors and executives of the Management Company

Investment of 7,516,606 units (June 30 2021: 7,030,082 units)	128,574	124,057
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Al Meezan Investment Management Limited - Employees Gratuity Fund

Investment of 438,459 units (June 30 2021: 438,459 units)	7,500	7,737
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Transactions during the period

	Six months period ended	
	December 31,	
	2021	2020
	(Unaudited)	
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration of the Management Company	48,593	45,556
Sindh Sales Tax on remuneration of the Management Company	6,317	5,922
Allocated expenses	2,673	2,278
Selling and marketing expense	24,297	9,111
Units issued: 839,960 units (December 31, 2020: 2,282,882 units)	15,000	35,000
Units redeemed: 3,963,250 units (December 31, 2020: nil units)	70,000	-
Meezan Bank Limited		
Profit on savings account	181	183
Shariah advisor fee	247	269
Shares purchased: 250,000 shares (December 31, 2020: 280,000 shares)	34,600	24,279
Shares sold: 400,000 shares (December 31, 2020: 55,000 shares)	57,349	4,739
Bonus shares received: 291,593 shares (December 31, 2020: 154,905 shares)	-	-
Dividend income from shares	6,344	6,916
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	2,934	2,782
Sindh Sales Tax on remuneration of the Trustee	381	362
CDS charges	159	90
MSAF - Meezan Strategic Allocation Plan - I		
Issuance of nil units (December 31, 2020: 994,191 units)	-	15,400
Units redeemed: nil units (December 31, 2020: 1,168,168 units)	-	17,000
MSAF - Meezan Strategic Allocation Plan - II		
Units issued: 611,135 units (December 31, 2020: 156,755 units)	11,000	2,600
Units redeemed: 9,144,901 units (December 31, 2020: 3,180,930 units)	165,000	49,000
MSAF - Meezan Strategic Allocation Plan - III		
Units issued: 611,135 (December 31, 2020: 822,633 units)	11,000	13,400
Units redeemed: 630,417 units (December 31, 2020: nil units)	11,000	-
MSAF - Meezan Strategic Allocation Plan IV		
Units issued: nil units (December 31, 2020: 96,465 units)	-	1,600
Units redeemed: 877,764 units (December 31, 2020: 2,635,324 units)	15,930	40,000
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: nil units (December 31, 2020: 42,203 units)	-	700
Units redeemed: 2,378,463 units (December 31, 2020: 1,215,052 units)	40,320	20,000
Meezan Financial Planning Fund of Funds - MAAP - V		
Units issued: nil units (December 31, 2020: 36,174 units)	-	600
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Units issued: nil units (December 31, 2020: 438,459 units)	-	7,000
Directors and executives of the Management Company		
Units issued: 965,445 units (December 31, 2020: 4,494,453 units)	16,911	66,610
Units redeemed: 478,921 units (December 31, 2020: 1,391,474 units)	8,155	21,972

11. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2021 based on current period results is 3.96% (December 31, 2020: 3.74%) which includes 0.32% (December 31, 2020: 0.75%) representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Equity Scheme'.

12. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Fund has incurred net loss during the current period, therefore no provision for taxation has been made in these condensed interim financial statements.

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

13. FAIR VALUE MEASUREMENT

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

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

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

13.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

ASSETS	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	4,947,079	-	-	4,947,079
ASSETS	As at June 30, 2021			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	4,650,421	-	-	4,650,421

14. GENERAL

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

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

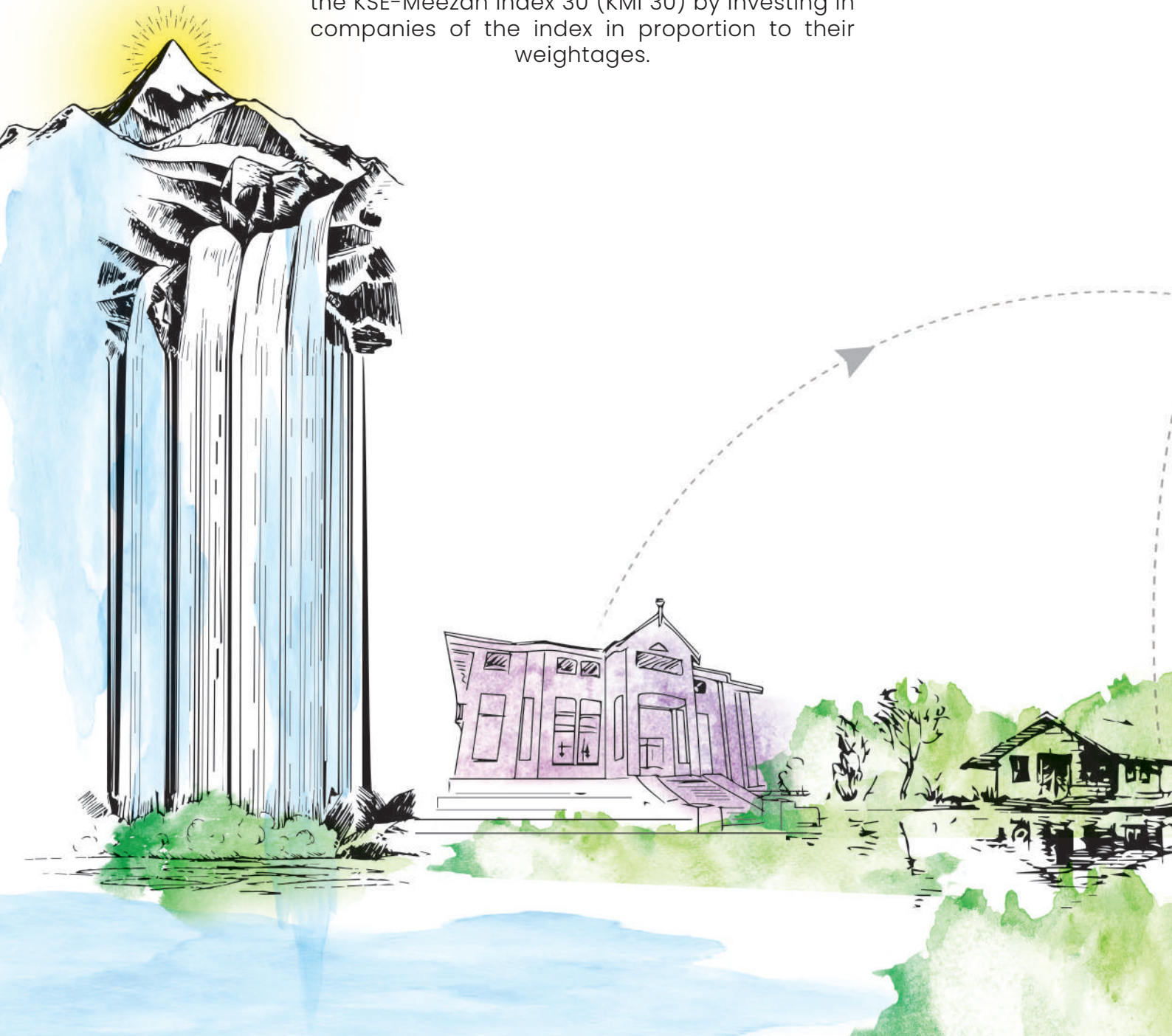
Director



Al Meezan
Investment Management Ltd.

KSE-MEEZAN INDEX FUND (KMIF)

KSE Meezan Index Fund is a Shariah Compliant Index Fund that aims to provide investors an opportunity to closely track the performance of the KSE-Meezan Index 30 (KMI 30) by investing in companies of the index in proportion to their weightages.



ONE OF THE MOST
SOUGHT-AFTER
TOURIST DESTINATION



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road, Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Habib Metropolitan Bank Limited - Islamic
Banking Meezan Bank Limited
National Bank of Pakistan - Islamic Banking

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shahra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

KSE MEEZAN INDEX 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 KSE Meezan Index Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **KSE Meezan Index Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Afferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi



KSE MEEZAN INDEX FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	------(Rupees in '000)-----	
Assets			
Balances with banks	5	12,664	22,649
Investments	6	2,766,512	2,697,866
Receivable against sale of investments		-	24,234
Receivable against conversion of units		216	1,182
Dividend receivable		912	4,155
Deposits, prepayments and other receivables		2,658	2,684
Total assets		<u>2,782,962</u>	<u>2,752,770</u>
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	7	1,092	905
Payable to Central Depository Company of Pakistan Limited - Trustee		355	349
Payable to Meezan Bank Limited		45	253
Payable to the Securities and Exchange Commission of Pakistan		288	489
Payable against redemption and conversion of units		1,705	1,923
Payable against purchase of investments		-	12,393
Accrued expenses and other liabilities	8	15,458	39,954
Total liabilities		<u>18,943</u>	<u>56,266</u>
Net assets		<u>2,764,019</u>	<u>2,696,504</u>
Contingencies and commitments	9		
Unit holders' fund (as per statement attached)		<u>2,764,019</u>	<u>2,696,504</u>
		(Number of units)	
Number of units in issue		<u>40,515,318</u>	<u>37,003,744</u>
		(Rupees)	
Net asset value per unit		<u>68.2216</u>	<u>72.8711</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

KSE MEEZAN INDEX FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31,		Quarter ended December 31,	
		2021	2020	2021	2020
(Rupees in '000)					
Income					
Net realised (loss) / gain on sale of investments		(44,371)	113,952	(43,202)	95,461
Dividend income		109,550	62,570	58,140	48,141
Profit on saving accounts with banks		247	296	67	157
Other income		1,361	1,656	333	949
		<u>66,787</u>	<u>178,474</u>	<u>15,338</u>	<u>144,708</u>
Net unrealised (diminution) / appreciation on re-measurement investments classified as 'financial assets at fair value through profit or loss'	6.1	<u>(255,358)</u>	<u>374,788</u>	<u>(35,962)</u>	<u>71,476</u>
Total (loss) / income		<u>(188,571)</u>	<u>553,262</u>	<u>(20,624)</u>	<u>216,184</u>
Expenses					
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	14,409	11,278	7,039	5,833
Sindh Sales Tax on Management Company		1,873	1,466	915	758
Allocated expenses	7.2	1,585	1,128	774	584
Remuneration to Central Depository Company of Pakistan Limited - Trustee		1,945	1,631	956	835
Sindh Sales Tax on remuneration of the trustee		253	212	124	109
Annual fee to the Securities and Exchange Commission of Pakistan		288	225	141	116
Auditors' remuneration		233	239	193	120
Legal and professional Charges		276	-	-	-
Brokerage fees		1,500	3,494	728	1,623
Charity expense		3,322	1,873	1,259	1,469
Bank and settlement charges		325	259	104	188
Fees and subscription		272	280	148	144
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	8.1	<u>(23,931)</u>	<u>10,624</u>	<u>-</u>	<u>4,089</u>
Total expenses		<u>2,350</u>	<u>32,709</u>	<u>12,381</u>	<u>15,868</u>
Net (loss) / income for the period before taxation		<u>(190,921)</u>	<u>520,553</u>	<u>(33,005)</u>	<u>200,316</u>
Taxation	13	-	-	-	-
Net (loss) / income for the period after taxation		<u>(190,921)</u>	<u>520,553</u>	<u>(33,005)</u>	<u>200,316</u>
Allocation of net income for the period					
Net income for the period after taxation		-	520,553		
Income already paid on units redeemed		-	<u>(24,120)</u>		
		<u>-</u>	<u>496,433</u>		
Accounting income available for distribution					
- Relating to capital gains		-	488,740		
- Excluding capital gains		-	7,693		
		<u>-</u>	<u>496,433</u>		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



KSE MEEZAN INDEX FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	<u>Six months period ended,</u> <u>December 31,</u>		<u>Quarter ended,</u> <u>December 31,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>(Rupees in '000)</u>		<u>(Rupees in '000)</u>	
Net (loss) / income for the period after taxation	(190,921)	520,553	(33,005)	200,316
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(190,921)</u>	<u>520,553</u>	<u>(33,005)</u>	<u>200,316</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

KSE MEEZAN INDEX FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020		
	Capital value	Undistributed income / (accumulated loss)	Total	Capital value	(Accumulated loss) / undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	2,559,822	136,682	2,696,504	2,094,337	(237,164)	1,857,173
Issuance of 7,513,151 units (2020: 10,537,160 units)						
- Capital value (at net asset value per unit at the beginning of the period)	547,492	-	547,492	562,820	-	562,820
- Element of (loss) / income	(2,688)	-	(2,688)	103,205	-	103,205
Total proceeds on issuance of units	544,804	-	544,804	666,025	-	666,025
Redemption of 4,001,577 units (2020: 8,074,260 units)						
- Capital value (at net asset value per unit at the beginning of the period)	291,599	-	291,599	431,270	-	431,270
- Element of (income) / loss	(5,231)	-	(5,231)	51,536	24,120	75,656
Total payments on redemption of units	286,368	-	286,368	482,806	24,120	506,926
Total comprehensive (loss) / income for the period	-	(190,921)	(190,921)	-	520,553	520,553
Distribution during the period	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(190,921)	(190,921)	-	520,553	520,553
Net assets at the end of the period	2,818,258	(54,239)	2,764,019	2,277,556	259,269	2,536,825
Undistributed income / (accumulated loss) brought forward						
- Realised loss		(267,341)			(138,664)	
- Unrealised income / (loss)		404,023			(98,500)	
		136,682			(237,164)	
Accounting income available for distribution						
- Relating to capital gains		-			488,740	
- Excluding capital gains		-			7,693	
		-			496,433	
Net loss for the period after taxation		(190,921)			-	
Distribution during the period		-			-	
Undistributed income carried forward		(54,239)			259,269	
(Accumulated loss) / undistributed income carried forward						
- Realised income / (loss)		201,119			(115,519)	
- Unrealised (loss) / income		(255,358)			374,788	
		(54,239)			259,269	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			<u>72.8711</u>			<u>53.4129</u>
Net asset value per unit at the end of the period			<u>68.2216</u>			<u>68.1338</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



KSE MEEZAN INDEX FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Note	Six months period ended	
		December 31,	
		2021	2020
		------(Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss) / income for the period before taxation		(190,921)	520,553
Adjustments for:			
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		255,358	(374,788)
		64,437	145,765
(Increase) / decrease in assets			
Investments - net		(324,004)	(311,061)
Receivable against sale of investments		24,234	-
Dividend receivable		3,243	4,243
Deposits, prepayments and other receivables		26	(28)
		(296,501)	(306,846)
Increase / (decrease) in liabilities			
Payable to AI Meezan Investment Management Limited - Management Company		187	(1,211)
Payable to Central Depository Company of Pakistan Limited - Trustee		6	69
Payable to Meezan Bank Limited		(208)	(75)
Payable to the Securities and Exchange Commission of Pakistan		(201)	(117)
Payable against purchase of investments		(12,393)	(10,942)
Accrued expenses and other liabilities		(24,496)	13,431
		(37,105)	1,155
Net cash used in operating activities		(269,169)	(159,926)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipt against issuance of units		545,770	666,015
Payment against redemption of units		(286,586)	(506,558)
Net cash generated from financing activities		259,184	159,457
Net decrease in cash and cash equivalents during the period		(9,985)	(469)
Cash and cash equivalents at beginning of the period		22,649	46,350
Cash and cash equivalents at the end of the period	5	12,664	45,881

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

KSE MEEZAN INDEX FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 KSE Meezan Index Fund (the Fund) was established under a Trust Deed executed under Trust Act, 1882 between Al Meezan Investment Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on March 13, 2012 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (NBFC Regulations, 2008). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Consequently, the Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 16, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund is a Shariah Compliant Index Fund that aims to provide investors an opportunity to track closely the performance of the KSE-Meezan Index 30 (KMI 30) by investing in companies of the index in proportion to their weightages. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The Management Company has appointed Meezan Bank Limited (MBL) as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.3 The Fund is an open-end 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. The Fund is categorised as a Shariah Compliant Index Fund.

1.4 The Management Company has been assigned a quality rating of AM1 by VIS dated December 27, 2021 (2020: AM1 dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: AM1 dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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



The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5 BALANCES WITH BANKS	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited) (Rupees in '000)
In savings accounts	5.1	7,828	17,992
In current accounts		4,836	4,657
		<u>12,664</u>	<u>22,649</u>

5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.5% (2020: 2.5%) per annum. Other balances in savings accounts have an expected profit ranging from 2.5% to 2.90% (2020: 1.5% to 2.50%) per annum.

6 INVESTMENTS	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited) (Rupees in '000)
Investments at 'fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	6.1	<u>2,766,512</u>	<u>2,697,866</u>

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2021	Purchases during the period	Rights / bonus issue	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution) / appreciation as at December	Percentage in relation to			
									Total market value of investments	Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	
Number of shares						Rupees in '000			%			
Sectors / companies												
Automobile Assembler												
Honda Atlas Cars (Pakistan) Limited	80,100	19,300	-	99,400	-	-	-	-	-	-	-	-
Ghandhara Industries Limited	35,700	15,700	-	10,700	40,700	10,669	7,194	(3,475)	0.26	0.26	0.10	
Milat Tractors Limited	78,853	13,760	17,682	3,100	107,195	96,550	92,428	(4,122)	3.34	3.34	0.22	
									3.60	3.60	0.32	
Bank												
Meezan Bank Limited (a related party of the Fund)	995,813	176,917	164,017	42,217	1,294,530	133,369	173,609	40,240	6.28	6.28	0.09	
									6.28	6.28	0.09	
Cable And Electrical Goods												
Pak Elektron Limited	698,803	149,000	-	59,500	788,303	27,131	17,753	(9,378)	0.64	0.64	0.16	
									0.64	0.64	0.16	
Cement												
Cherat Cement Company Limited	328,201	54,200	-	10,700	371,701	65,326	55,127	(10,199)	1.99	1.99	0.19	
D.G. Khan Cement Company Limited	616,111	100,725	-	21,145	695,691	80,910	57,701	(23,209)	2.09	2.09	0.16	
Fauji Cement Company Limited	2,131,875	367,500	-	85,500	2,413,875	54,908	44,343	(10,565)	1.60	1.60	0.17	
Pioneer Cement Limited	-	392,300	-	30,500	361,800	27,548	32,110	4,562	1.16	1.16	0.16	
Lucky Cement Limited	318,493	51,941	-	10,567	359,867	309,561	244,450	(65,111)	8.84	8.84	0.11	
Maple Leaf Cement Factory Limited	1,390,639	231,546	-	50,709	1,571,476	72,817	56,495	(16,322)	2.04	2.04	0.14	
									17.72	17.72	0.93	
Chemical												
Engro Polymer & Chemicals Limited	894,271	161,000	-	44,000	1,011,271	48,670	54,821	6,151	1.98	1.98	0.11	
									1.98	1.98	0.11	
Engineering												
International Industries Limited	203,800	35,700	-	7,800	231,700	48,356	32,162	(16,194)	1.16	1.16	0.18	
International Steels Limited	429,713	71,260	-	18,208	482,765	44,703	31,920	(12,783)	1.15	1.15	0.11	
									2.31	2.31	0.29	
Fertilizer												
Engro Corporation Limited	891,557	154,932	-	38,908	1,007,581	296,345	274,485	(21,860)	9.92	9.93	0.17	
Engro Fertilizers Limited	1,690,607	286,847	-	65,416	1,912,038	135,318	145,487	10,169	5.26	5.26	0.14	
									15.18	15.19	0.31	
Oil And Gas Exploration Companies												
Mari Petroleum Company Limited (note 6.1.2)	75,065	12,220	-	2,360	84,925	129,908	140,485	10,577	5.08	5.08	0.06	
Oil & Gas Development Company Limited (note 6.1.3)	1,813,235	319,655	-	80,362	2,052,528	194,092	176,928	(17,164)	6.40	6.40	0.05	
Pakistan Oilfields Limited	365,459	59,877	-	12,419	412,917	162,187	147,667	(14,520)	5.34	5.34	0.15	
Pakistan Petroleum Limited (note 6.1.3)	1,874,578	329,435	-	82,803	2,121,210	183,001	167,660	(15,341)	6.06	6.07	0.08	
									22.88	22.89	0.34	
Oil And Gas Marketing Companies												
Hascol Petroleum Limited (note 6.1.2)	471	-	-	-	471	4	3	(1)	-	-	-	
Pakistan State Oil Company Limited	593,789	98,486	-	20,734	671,541	149,821	122,147	(27,674)	4.42	4.42	0.14	
Sui Northern Gas Pipelines Limited	802,507	138,569	-	941,076	-	-	-	-	-	-	-	
									4.42	4.42	0.14	
Pharmaceuticals												
The Searle Company Limited (note 6.1.2)	303,324	51,496	102,422	10,827	446,415	82,823	64,159	(18,664)	2.32	2.32	0.21	
									2.32	2.32	0.21	
Power Generation & Distribution												
The Hub Power Company Limited	2,736,859	470,235	-	114,292	3,092,802	245,556	220,640	(24,916)	7.98	7.98	0.24	
									7.98	7.98	0.24	
Refinery												
Attock Refinery Limited	120,056	21,636	-	5,083	136,609	34,295	19,676	(14,619)	0.71	0.71	0.13	
Cnergyco PK Limited (Formerly Byco petroleum Limited)	-	5,627,500	-	545,500	5,082,000	32,282	34,608	2,326	1.25	1.25	0.10	
National Refinery Limited	73,400	12,717	-	2,829	83,288	42,126	23,703	(18,423)	0.86	0.86	0.10	
									2.82	2.82	0.33	
Technology & Communication												
Avanceon Limited	168,500	222,800	-	52,200	339,100	32,344	30,899	(1,445)	1.12	1.12	0.13	
Systems Limited (note 6.1.3)	229,000	41,699	-	7,097	263,602	151,024	200,295	49,271	7.24	7.25	0.21	
									8.36	8.37	0.34	



Name of the investee company	As at July 1, 2021	Purchases during the period	Rights / Bonus issue	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution / appreciation) as at December	Percentage in relation to					
									Total market value of investments	Net assets of the Fund	Paid-up capital of investee company (with face value of investment)			
						Number of shares			(Rupees in '000)			%		
Textile Composite														
Nishat Mills Limited	444,550	79,700	-	21,400	502,850	46,968	40,017	(6,951)	1.45	1.45	0.14			
Azgard Nine Limited	-	1,303,500	-	140,000	1,163,500	14,022	15,230	1,208	0.55	0.55	19.50			
									2.00	2.00	19.64			
Transport														
Pakistan International Bulk Terminal Limited	2,510,000	411,500	-	2,921,500	-	-	-	-	-	-	-			
									-	-	-			
Food and Personal Care Products														
Unity Foods Limited	1,535,536	262,389		213,573	1,584,352	69,236	41,938	(27,298)	1.52	1.52	0.16			
									1.52	1.52	0.16			
Rights Certificate														
Unity Foods Limited	-	-	351,364	-	351,364	-	372	372						
Total as at December 31, 2021						3,021,870	2,766,512	(255,358)	100					
Total as at June 30, 2021						2,293,843	2,697,866	404,023						

6.1.1 All shares have a nominal value of Rs 10 each.

6.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the year ended June 30, 2020, the CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honourable High of Sindh had issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies.

As at December 31, 2021, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 1.282 million (June 30, 2021: Rs. 1.416 million).

6.1.3 Investments include 682,000 shares (June 30, 2021: 682,000 shares) of Pakistan Petroleum Limited having market value of Rs 53.91 million as at December 31, 2021 (June 30, 2021: Rs 59.218 million), 80,000 shares (June 30, 2021: 80,000 shares) of Oil and Gas Development Company Limited having market value of Rs 6.9 million as at December 31, 2021 (June 30, 2021: Rs 7.602 million) and 100,000 shares (June 30, 2021: nil) of Systems Limited having market value of Rs 75.9 million as at December 31, 2021 (June 30, 2021: nil), which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

7	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
	Remuneration of Al Meezan Investment Management Limited - Management Company	7.1	383	155
	Sindh Sales Tax payable on remuneration of the Management Company		50	20
	Allocated expenses payable	7.2	254	251
	Sales load payable		358	424
	Sindh Sales Tax payable on sales load		47	55
			<u>1,092</u>	<u>905</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2020: 1%) per annum of the average net assets of the Fund during the period. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The management company based on its own discretion has charges allocated expense at a rate of 0.11% (2020: 0.1%) per annum of the average annual net assets of the scheme for allocation of such expenses to the Fund subject to the total expense charged being lower than actual expense incurred.

8	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
	Provision for Sindh Workers' Welfare Fund Charity payable	8.1	-	23,931
	Auditors' remuneration payable		5,764	4,942
	Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	8.2	254	279
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	5,741	5,741
	Withholding tax and capital gain tax payable		497	497
	Brokerage payable		400	932
	Shariah advisory fee payable		2,410	3,193
	Printing charges payable		254	263
	Zakat payable		124	124
			14	52
			<u>15,458</u>	<u>39,954</u>

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in the condensed interim financial statements of the Fund.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 6.238 million is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.15 (June 30, 2021: Re 0.17) per unit.

9 CONTINGENCIES AND COMMITMENTS

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

10 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

Details of transactions with connected persons and balances with them are as follows:

Balances	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	383	155
Sindh Sales Tax on management fee payable	50	20
Sales load payable	358	424
Sindh Sales Tax on sales load payable	47	55
Allocated expenses payable	254	251
Investment of 13,952,768 units (June 30, 2021: 13,952,768 units)	951,880	1,016,754
Meezan Bank Limited		
Sales load payable	40	224
Sindh Sales Tax on sales load payable	5	29
Bank balance	7,073	16,436
Profit receivable on savings account	11	25
Shariah advisor fee payable	254	263
Investment of 2,113,224 units (June 30, 2021: 2,113,224 units)	144,168	153,993
Investment in 1,294,530 shares (June 30, 2021: 995,813 shares)	173,609	114,927
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	295	289
Sindh Sales Tax on trustee fee payable	60	60
Security deposit	103	103
Al Meezan Investment Management Limited (Gratuity Fund)		
Investment of 133,559 units (June 30, 2021: 133,559 units)	9,112	9,733
Directors and their close family members and key management		
Investment of 1,145,495 units (June 30, 2021: 1,136,665 units)	78,148	82,830
Unit holders holding 10% or more units of the Fund		
Investment of 13,929,284 units (June 30, 2021: 9,725,890 units)	950,278	708,736
Meezan Strategic Allocation Fund MSAP-I		
Investment as at December 31, 2021: nil units (June 30, 2021: 70,737 units)	-	5,155
Meezan Strategic Allocation Fund MSAP-II		
Investment as at December 31, 2021: nil units (June 30, 2021: 159,765 units)	-	11,642
Meezan Strategic Allocation Fund MSAP-III		
Investment as at December 31, 2021: 106,249 units (June 30, 2021: 159,037 units)	7,248	11,589
Meezan Strategic Allocation Fund MSAP-IV		
Investment as at December 31, 2021: 13,634 units (June 30, 2021: 13,634 units)	930	994
Meezan Strategic Allocation Fund MSAP-V		
Investment as at December 31, 2021: 28,295 units (June 30, 2021: 28,295 units)	1,930	2,062
Transactions during the period		
	Six months period ended December 31,	
	2021	2020
	(Unaudited)	
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration for the period	14,409	11,278
Sindh Sales Tax on remuneration of the Management Company	1,873	1,466
Allocated expenses	1,585	1,128
Units issued: nil units (2020: 2,160,034 units)	-	133,000
Units redeemed: nil units (2020: 151,053 units)	-	9,200



Transactions during the period

Six months period ended
December 31,
2021 2020
(Unaudited)
(Rupees in '000)

Meezan Bank Limited

Profit on savings account	67	79
Dividend income	3,563	4,368
Shares purchased: 176,917 shares (2020: 356,789 shares)	22,963	27,816
Shares sold: 42,217 shares (2020: 115,391 shares)	5,819	10,617
Bonus shares received: 164,017 shares (2020: 93,750 shares)	-	-
Sharia advisory fee	261	268

Central Depository Company of Pakistan Limited - the Trustee

Trustee fee	1,945	1,631
Sindh Sales Tax on trustee fee for the period	253	212
CDS charges	83	87

Directors and their close family members and key management personnel

Units issued: 8,830 units (2020: 190,657 units)	625	12,785
Units redeemed: nil units (2020: 6,775 units)	-	395

Meezan Strategic Allocation Fund MSAP-I

Units redeemed: 70,737 units (2020: nil units)	5,048	-
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Meezan Strategic Allocation Fund MSAP-II

Units issued: 136,326 units (2020: nil units)	10,000	-
Units redeemed: 296,091 units (2020: nil units)	21,546	-

Meezan Strategic Allocation Fund MSAP-III

Units issued: 95,507 units (2020: nil units)	7,000	-
Units redeemed: 148,295 units (2020: nil units)	11,000	-

11 FAIR VALUE MEASUREMENT

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

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

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

11.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

As at December 31, 2021			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
ASSETS			
Financial assets 'at fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	2,766,512	-	2,766,512
	=====	=====	=====
As at June 30, 2021			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
ASSETS			
Financial assets 'at fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	2,697,866	-	2,697,866
	=====	=====	=====

12 TOTAL EXPENSE RATIO

The annualised Total Expense Ratio (TER) of the Fund as at December 31, 2021 is 1.82% (2020: 2.43%) which includes 0.16% (2020: 0.68%) representing government levies on the Fund such as Sales Taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Index Scheme.

13 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute at least 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN ENERGY FUND (MEF)

Meezan Energy Fund is a Shariah Compliant Energy Sector (Equity) Scheme. It is an actively managed fund offering a simple way to take exposure to Shariah Compliant equity stocks, primarily from the energy sector/segment/industry available at Pakistan Stock Exchange (PSX).



CURRENT ACCOUNT DEFICIT LOWEST IN



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
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Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director – PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited
Al Baraka Islamic Bank B.S.C (E.C)
Bank Al Habib Limited - Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (9221) 35156191-94 Fax: (9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

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DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

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Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
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TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN ENERGY 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 Meezan Energy Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Energy Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi



MEEZAN ENERGY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	13,509	18,782
Investments	6	493,545	578,360
Receivable against conversion of units		531	8,251
Dividend receivable		197	1,764
Advances, deposit and other receivables		3,078	4,094
Preliminary expenses and floatation costs		-	83
Total assets		<u>510,860</u>	<u>611,334</u>
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	7	859	761
Payable to Central Depository Company of Pakistan Limited - Trustee		97	113
Payable to Meezan Bank Limited		12	33
Payable to the Securities and Exchange Commission of Pakistan		53	105
Payable against conversion and redemption of units		74	20,927
Accrued expenses and other liabilities	8	2,610	5,085
Total liabilities		<u>3,705</u>	<u>27,024</u>
Net assets		<u>507,155</u>	<u>584,310</u>
Contingencies and commitments	9		
Unit holders' funds (as per statement attached)		<u>507,155</u>	<u>584,310</u>
		(Number of units)	
Number of units in issue		<u>15,843,191</u>	<u>17,035,689</u>
		(Rupees)	
Net asset value per unit		<u>32.0109</u>	<u>34.2992</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ENERGY FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31,		Quarter ended December 31,	
		2021	2020	2021	2020
		(Rupees in '000)		(Rupees in '000)	
Income					
Net realised (loss) / gain on sale of investments		(3,200)	28,687	(698)	4,969
Dividend income		24,848	12,059	12,581	11,596
Profit on savings accounts with banks		266	334	151	122
		<u>21,914</u>	<u>41,080</u>	<u>12,034</u>	<u>16,687</u>
Net unrealised (diminution) / appreciation on re-measurement re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1	(49,938)	23,320	(6,742)	(15,041)
Total (loss) / income		<u>(28,024)</u>	<u>64,400</u>	<u>5,292</u>	<u>1,646</u>
Expenses					
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	5,318	4,784	2,582	2,075
Sindh Sales Tax on remuneration of the Management Company		691	622	335	270
Allocated expenses	7.2	293	239	142	104
Selling and marketing expenses	7.3	1,064	957	517	415
Remuneration of Central Depository Company of Pakistan Limited - Trustee		532	478	258	207
Sindh Sales Tax on remuneration of the Trustee		69	62	33	27
Annual fee to the Securities and Exchange Commission of Pakistan		53	48	26	21
Auditors' remuneration		197	173	95	74
Charity expense		1,024	547	357	539
Fees and subscription		285	283	143	141
Brokerage expense		505	1,261	100	557
Bank and settlement charges		198	232	89	118
Legal and professional charges		184	-	-	-
Amortisation of preliminary expenses and floatation costs (Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	8.1	(2,709)	1,092	-	(59)
Total expenses		<u>7,787</u>	<u>10,878</u>	<u>4,710</u>	<u>4,539</u>
Net (loss) / income for the period before taxation		<u>(35,811)</u>	<u>53,522</u>	<u>582</u>	<u>(2,893)</u>
Taxation	12	-	-	-	-
Net (loss) / income for the period after taxation		<u>(35,811)</u>	<u>53,522</u>	<u>582</u>	<u>(2,893)</u>
Allocation of net income for the period					
Net income for the period after taxation		-	53,522		
Income already paid on units redeemed		-	(34,675)		
		<u>-</u>	<u>18,847</u>		
Accounting income available for distribution					
- Relating to capital gains		-	18,847		
- Excluding capital gains		-	-		
		<u>-</u>	<u>18,847</u>		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN ENERGY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	<u>Six months period ended,</u> <u>December 31,</u>		<u>Quarter ended,</u> <u>December 31,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>(Rupees in '000)</u>		<u>(Rupees in '000)</u>	
Net (loss) / income for the period after taxation	(35,811)	53,522	582	(2,893)
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(35,811)</u>	<u>53,522</u>	<u>582</u>	<u>(2,893)</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ENERGY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	2021			2020		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	974,734	(390,424)	584,310	964,237	(422,371)	541,866
Issuance of 14,061,413 units (2020: 32,897,931 units)						
- Capital value (at net asset value per unit at the beginning of the period)	482,295	-	482,295	987,596	-	987,596
- Element of (loss) / income	(21,772)	-	(21,772)	91,495	-	91,495
Total proceeds on issuance of units	460,523	-	460,523	1,079,091	-	1,079,091
Redemption of 15,253,911 units (2020: 38,214,265 units)						
- Capital value (at net asset value per unit at the beginning of the period)	523,197	-	523,197	1,147,192	-	1,147,192
- Element of (income) / loss	(21,330)	-	(21,330)	75,829	34,675	110,504
Total payments on redemption of units	501,867	-	501,867	1,223,021	34,675	1,257,696
Total comprehensive (loss) / income for the period	-	(35,811)	(35,811)	-	53,522	53,522
Distribution during the period	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(35,811)	(35,811)	-	53,522	53,522
Net assets at the end of the period	933,390	(426,235)	507,155	820,307	(403,524)	416,783
Accumulated loss brought forward						
- Realised loss		(390,627)			(422,342)	
- Unrealised income / (loss)		203			(29)	
		(390,424)			(422,371)	
Accounting income available for distribution						
- Relating to capital gains		-			18,847	
- Excluding capital gains		-			-	
		-			18,847	
Net loss for the period after taxation		(35,811)			-	
Accumulated loss carried forward		(426,235)			(403,524)	
Accumulated loss carried forward						
- Realised loss		(376,297)			(426,844)	
- Unrealised (loss) / income		(49,938)			23,320	
		(426,235)			(403,524)	
Net asset value per unit at the beginning of the period			(Rupees) 34.2992			(Rupees) 30.0200
Net asset value per unit at the end of the period			32.0109			32.7304

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ENERGY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Energy Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Company as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was executed under the Trust Act, 1882 on September 09, 2016 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 26, 2016 under 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 Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shariah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 16, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The objective of the Fund is to seek long term capital appreciation through investments in Shariah compliant equity stocks, primarily from the energy sector / segment / industry, as defined in the constitutive documents. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 Units 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 is listed on the Pakistan Stock Exchange Limited. The Fund is categorised as an Open End Shariah Compliant (Islamic) Equity Scheme in accordance with Circular 7 of 2009 issued by the SECP.

1.4 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 27, 2021 (2020: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: 'AM1' dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 The 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

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited) (Rupees in '000)
Balances with banks in:			
Savings accounts	5.1	11,931	17,738
Current accounts		1,578	1,044
		<u>13,509</u>	<u>18,782</u>

5.1 This includes a balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.50% (June 30, 2021: 2.50%) per annum. Other savings accounts of the Fund have expected rates of profit ranging from 2.35% to 11.50% (June 30, 2021: 2.24% to 7.20%) per annum.

6. INVESTMENTS	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited) (Rupees in '000)
At fair value through profit or loss			
Shares of listed companies - 'ordinary shares'	6.1	<u>493,545</u>	<u>578,360</u>

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2021	Purchased during the period	Bonus / right shares	Sold during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation / (diminution) as at December 31, 2021	Percentage in relation to		
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)
Number of shares						Rupees in '000			%		
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited (note 6.1.2)	57,143	5,840	-	7,600	55,383	84,753	91,616	6,863	18.06	18.56	0.04
Oil and Gas Development Company Limited	903,016	195,000	-	86,000	1,012,016	94,788	87,236	(7,552)	17.20	17.68	0.02
Pakistan Oilfields Limited (note 6.1.2)	226,280	-	-	57,500	168,780	66,476	60,359	(6,117)	11.90	12.22	0.06
Pakistan Petroleum Limited (note 6.1.2)	1,214,418	110,000	-	251,366	1,073,052	91,748	84,814	(6,934)	16.72	17.18	0.04
									63.88	65.64	0.16
Oil and Gas Marketing Companies											
Attock Petroleum Limited	31,500	-	-	-	31,500	10,112	9,891	(221)	1.95	2.00	0.03
Hascol Petroleum Limited *	4,011	-	-	-	4,011	36	25	(11)	-	0.01	-
Hi-Tech Lubricants Limited	86,000	-	17,200	50,000	53,200	3,144	2,314	(830)	0.46	0.47	0.04
Pakistan State Oil Company Limited (note 6.1.2 & 6.1.3)	363,878	45,000	-	187,000	221,878	47,417	40,357	(7,060)	7.96	8.18	0.05
Shell Pakistan Limited	23,800	-	-	23,800	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	487,300	155,000	-	100,000	542,300	26,632	18,140	(8,492)	3.58	3.68	0.09
Sui Southern Gas Company Limited	400,000	-	-	400,000	-	-	-	-	-	-	-
									13.95	14.34	0.21
Power Generation and Distribution											
The Hub Power Company Limited	526,444	390,000	-	-	916,444	71,742	65,379	(6,363)	12.89	13.25	0.07
K- Electric Limited (note 6.1.1)	2,953,500	1,000,000	-	500,000	3,453,500	13,747	11,880	(1,867)	2.34	2.41	0.01
									15.23	15.66	0.08
Refinery											
Attock Refinery Limited	39,500	-	-	39,500	-	-	-	-	-	-	-
Cnergyco PK Limited (Formerly Byco Petroleum Pakistan Limited)	1,330,000	1,800,000	-	455,000	2,675,000	27,547	18,217	(9,330)	3.59	3.69	0.05
Pakistan Refinery Limited	-	330,000	-	100,000	230,000	5,341	3,317	(2,024)	0.65	0.67	0.04
									4.24	4.36	0.09
Total as at December 31, 2021						543,483	493,545	(49,938)	97.30	100.00	
Total as at June 30, 2021						578,157	578,360	203	98.98	100.00	

* Nil figures due to rounding off difference.

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which has face value of Rs 3.5 each.

6.1.2 Investments include 65,000 shares of Pakistan Petroleum Limited, 26,500 shares of Pakistan Oilfields Limited, 4,000 shares of Mari Petroleum Limited and 5,000 shares of Pakistan State Oil Company Limited, having market value of Rs 5.138 million, Rs. 9.477 million, Rs. 6.617 million and Rs. 0.909 million respectively as at December 31, 2021 (June 30, 2021: 65,000 shares of Pakistan Petroleum Limited, 26,500 shares of Pakistan Oilfields Limited, 4,000 shares of Mari Petroleum Limited and 5,000 shares of Pakistan State Oil Company Limited, having market value of Rs 5.644 million, Rs. 10.437 million, Rs. 6.098 million and Rs. 1.121 million respectively) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

6.1.3 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the year ended June 30, 2020, the CISs had filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honourable High Court of Sindh had issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies.

As at December 31, 2021, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 1.06 million (June 30, 2021: Rs. 1.308 million).

	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Remuneration payable	7.1	140	67
Sindh Sales Tax payable on remuneration of the Management Company		18	9
Allocated expenses payable	7.2	47	55
Selling and marketing expenses payable	7.3	643	601
Sales load payable		10	26
Sindh Sales Tax payable on sales load		1	3
		859	761

7.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (December 31, 2020: 2%) per annum of the average annual net assets of the Fund during the period ended December 31, 2021. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged such expenses at the rate of 0.11% (December 31, 2020: 0.1%) of the average annual net assets of the Fund during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred.

7.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the rate of 0.4% (December 31, 2020: 0.4%) per annum of the average annual net assets of the Fund during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred.

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31,	June 30,
		2021 (Unaudited)	2021 (Audited)
		(Rupees in '000)	
Provision for Sindh Workers' Welfare Fund	8.1	-	2,709
Auditors' remuneration payable		168	195
Brokerage payable		415	624
Shariah advisor fee payable		267	266
Charity payable		1,665	1,041
Capital gain tax payable		56	186
Zakat payable		-	30
Printing charges payable		39	34
		2,610	5,085

- 8.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

9. CONTINGENCIES AND COMMITMENTS

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

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.



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

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

The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

Balances	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited) (Rupees in '000)
AI Meezan Investment Management Limited - Management Company		
Remuneration payable	140	67
Sindh Sales Tax payable on remuneration of the Management Company	18	9
Sales load payable	10	26
Sindh Sales Tax payable on sales load	1	3
Allocated expenses payable	47	55
Selling and marketing expenses payable	643	601
Investment of 2,670,254 units (June 30, 2021: 3,263,145 units)	85,477	111,923
Meezan Bank Limited		
Balances with bank	5,255	17,265
Profit receivable on savings account	14	72
Sales load payable	11	29
Sindh Sales Tax on sales load payable	1	4
Shariah advisor fee payable	267	266
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	86	100
Sindh Sales Tax payable on remuneration of the Trustee	11	13
Security deposit	100	100
Directors and executives of the Management Company		
Investment of 149,661 units (June 30, 2021: 219,868 units)	4,791	7,541
Unit holders holding 10% or more of units of the Fund		
Investment of 4,298,505 units (June 30, 2021: 4,298,505 units)	137,599	147,435
Transactions during the period		
	Six months period ended December 31,	
	2020	2021
	(Unaudited) (Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration of the Management Company	5,318	4,784
Sindh Sales Tax on remuneration of the Management Company	691	622
Allocated expenses	293	239
Selling and marketing expenses	1,064	957
Units issued: nil units (December 31, 2020: 431,954 units)	-	15,000
Units redeemed: 592,891 units (December 31, 2020: 2,548,000 units)	20,000	85,000
Meezan Bank Limited		
Profit on savings account	74	162
Shariah advisor fee	271	269

Transactions during the period

Six months period ended
December 31,
2020 2021
(Unaudited)
(Rupees in '000)

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	532	478
Sindh Sales Tax on remuneration of the Trustee	69	62
CDS charges	18	39

Directors and executives of the Management Company

Units issued: 316,775 units (December 31, 2020: 546,780 units)	10,458	16,829
Units redeemed: 386,982 units (December 31, 2020: 19,279 units)	12,652	617

11. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2021 based on current period results is 3.95% (December 31, 2020: 4.32%) which includes 0.33% (December 31, 2020: 0.54%) representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Equity Scheme'.

12. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Fund has incurred net loss during the current period, therefore no provision for taxation has been made in these condensed interim financial statements.

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

13. FAIR VALUE MEASUREMENT

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

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

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

13.1 Fair value hierarchy

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

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



As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

ASSETS	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total

(Rupees in '000)

Financial assets 'at fair value through profit or loss'

Shares of listed companies - 'ordinary shares'	493,545	-	-	493,545
--	---------	---	---	---------

ASSETS	As at June 30, 2021			
	Level 1	Level 2	Level 3	Total

(Rupees in '000)

Financial assets 'at fair value through profit or loss'

Shares of listed companies - 'ordinary shares'	578,360	-	-	578,360
--	---------	---	---	---------

14. GENERAL

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

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

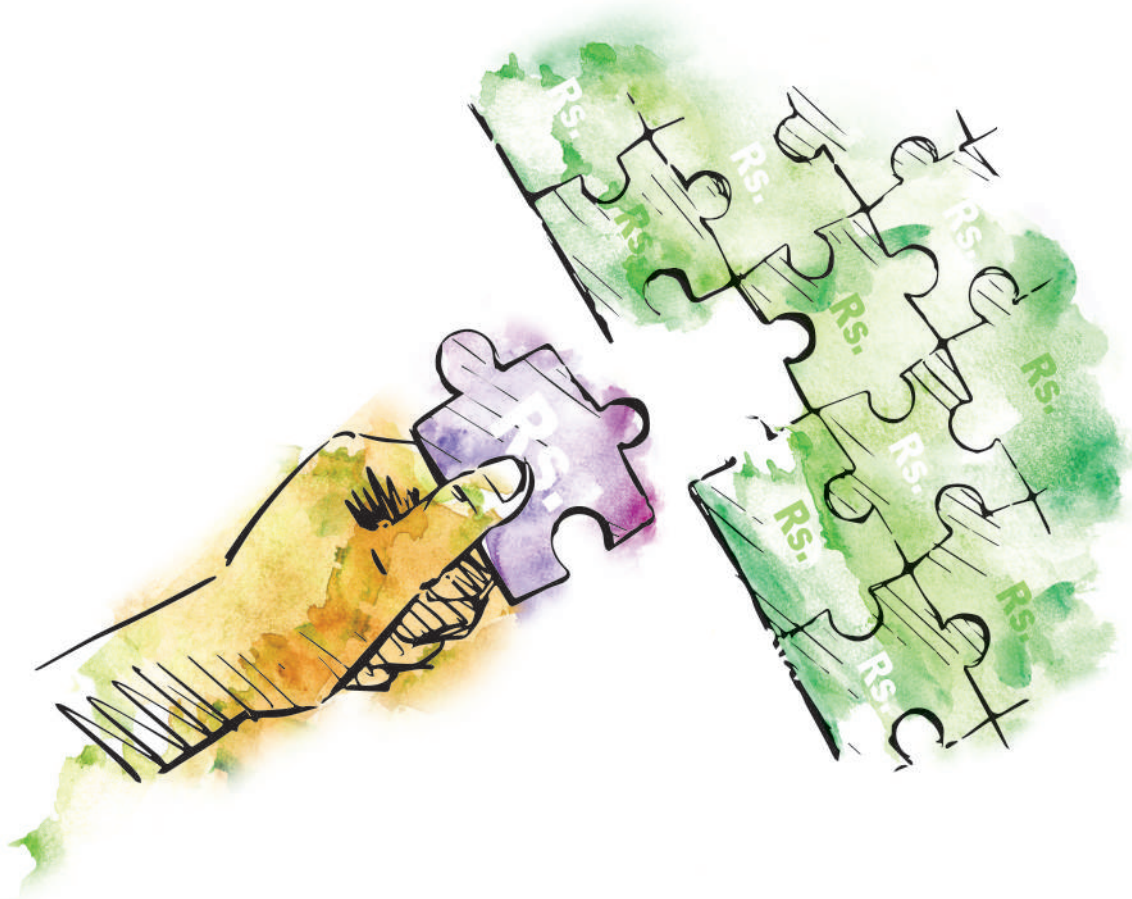


Al Meezan
Investment Management Ltd.

MEEZAN

PAKISTAN EXCHANGE TRADED FUND (MP-ETF)

Meezan Pakistan Exchange Traded Fund is a Shariah Compliant Exchange Traded Fund that aims to provide investors an opportunity to track the performance of Meezan Pakistan Index that has been constituted and is maintained by Al Meezan, and comprises Shariah Compliant equity securities selected with high consideration towards market capitalization and traded Value.



ONE OF
ASIA'S BEST
PERFORMING
STOCK MARKET



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Meezan Bank Limited

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN PAKISTAN EXCHANGE TRADED FUND

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

We, Central Depository Company of Pakistan Limited, being the Trustee of Meezan Pakistan Exchange Traded Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Pakistan Exchange Traded Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi

**MEEZAN PAKISTAN EXCHANGE TRADED FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021**



Meezan
Pakistan Exchange Traded Fund

		December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Assets			
Balances with banks	5	4,803	1,208
Investments	6	83,744	38,827
Dividend receivable		-	295
Other receivables		57	57
Total assets		<u>88,604</u>	<u>40,387</u>
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	8	1
Payable to Central Depository Company of Pakistan Limited - Trustee	8	8	5
Payable to the Securities and Exchange Commission of Pakistan		8	5
Accrued expenses and other liabilities	9	264	1,089
Total liabilities		<u>288</u>	<u>1,100</u>
Net assets		<u>88,316</u>	<u>39,287</u>
Unit holders' fund (as per statement attached)		<u>88,316</u>	<u>39,287</u>
Contingencies and commitments	10		
		----- (Number of units) -----	
Number of units in issue		<u>10,040,000</u>	<u>3,800,000</u>
		----- (Rupees) -----	
Net asset value per unit		<u>8.7964</u>	<u>10.3387</u>

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

**For Al-Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN PAKISTAN EXCHANGE TRADED FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021	For the period from October 6, to December 31, 2020	Quarter ended December 31, 2021
Note	-----	(Rupees in '000)	-----
Income			
Profit on balances with bank	35	9	23
Dividend income	2,396	449	1,648
Net realised gain on sale of investments	34	11	-
	2,465	469	1,671
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1 (13,667)	1,201	(2,795)
Total (loss) / income	(11,202)	1,670	(1,124)
Expenses			
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1 190	27	106
Sindh Sales Tax on remuneration of the Management Company	25	3	14
Remuneration of Central Depository Company of Pakistan Limited - Trustee	38	11	21
Sindh Sales Tax on remuneration of the Trustee	5	1	3
Annual fee to the Securities and Exchange Commission of Pakistan	8	1	5
Auditors' remuneration	62	32	34
Charity expense	95	14	41
Fees and subscription	12	-	-
Legal and professional charges	184	-	-
Brokerage expense	50	-	-
Bank and settlement charges	4	3	2
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	9.1 (123)	43	-
Total expenses	550	135	226
Net (loss) / income for the period from operating activities	(11,752)	1,535	(1,350)
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed - net	(3,733)	575	(1,482)
Net (loss) / income for the period before taxation	(15,485)	2,110	(2,831)
Taxation	14 -	-	-
Net (loss) / income for the period after taxation	(15,485)	2,110	(2,831)
Accounting income available for distribution			
- Relating to capital gains	-	1,212	
- Excluding capital gains	-	898	
	-	2,110	

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

For AI-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN PAKISTAN EXCHANGE TRADED FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2021**



	Six months period ended December 31, 2021	For the period from October 6, to December 31, 2020	Quarter ended December 31, 2021
	----- (Rupees in '000) -----		
Net (loss) / income for the period after taxation	(15,485)	2,110	(2,831)
Other comprehensive income for the period	-	-	-
Total comprehensive (loss) / income for the period	<u>(15,485)</u>	<u>2,110</u>	<u>(2,831)</u>

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

**For Al-Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN PAKISTAN EXCHANGE TRADED FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

	Six months period ended December 31, 2021			For the period from October 6, 2020 to December 31, 2020		
	Capital value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	38,000	1,287	39,287	-	-	-
Issuance of 6,670,000 units (2020: 2,880,000 units)						
- Capital value (at net asset value per unit at the beginning of the period)	68,959	-	68,959	28,800	-	28,800
- Element of (loss) / income	(3,722)	-	(3,722)	596	-	596
Total proceeds on issuance of units	65,237	-	65,237	29,396	-	29,396
Redemption of 430,000 units (2020: 30,000 units)						
- Capital value (at net asset value per unit at the beginning of the period)	4,446	-	4,446	300	-	300
- Element of loss	10	-	10	21	-	21
Total payments on redemption of units	4,456	-	4,456	321	-	321
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	3,733	-	3,733	(575)	-	(575)
Total comprehensive (loss) / income for the period	-	(15,485)	(15,485)	-	2,110	2,110
Net assets at the end of the period	102,514	(14,198)	88,316	28,500	2,110	30,610
Undistributed income brought forward						
- Realised income		101			-	
- Unrealised income		1,186			-	
		<u>1,287</u>			<u>-</u>	
Accounting income available for distribution						
- Realised income		-			1,212	
- Unrealised income		-			898	
		<u>-</u>			<u>2,110</u>	
Net loss for the period after taxation		(15,485)			-	
(Accumulated loss) / undistributed income carried forward		<u>(14,198)</u>			<u>2,110</u>	
(Accumulated loss) / undistributed income carried forward						
- Realised (loss) / income		(531)			909	
- Unrealised (loss) / income		(13,667)			1,201	
		<u>(14,198)</u>			<u>2,110</u>	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the period		<u>10.3387</u>			<u>-</u>	
Net asset value per unit at the end of the period		<u>8.7964</u>			<u>10.7405</u>	

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

**For Al-Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN PAKISTAN EXCHANGE TRADED FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**



	Six months period ended December 31, 2021	For the period from October 6, to December 31, 2020
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(15,485)	2,110
Adjustments for:		
Net unrealised diminution / (appreciation) re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1 13,667	(1,201)
Element of loss / (income) and capital (gains) / losses included in prices of units issued less those in units redeemed - net	3,733	(575)
	<u>1,915</u>	<u>334</u>
(Decrease) / increase in assets		
Investments - net	(58,584)	(27,195)
Dividend receivable	295	(46)
Other receivables	-	(34)
	<u>(58,289)</u>	<u>(27,275)</u>
Increase / (decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	7	24
Payable to Central Depository Company of Pakistan Limited - Trustee	3	8
Payable to the Securities and Exchange Commission of Pakistan	3	1
Accrued expenses and other liabilities	(825)	90
	<u>(812)</u>	<u>123</u>
Net cash used in operating activities	<u>(57,186)</u>	<u>(26,818)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	65,237	29,396
Payments against redemption of units	(4,456)	(321)
Net cash generated from financing activities	<u>60,781</u>	<u>29,075</u>
Net increase in cash and cash equivalents during the period	3,595	2,257
Cash and cash equivalents at the beginning of the period	1,208	-
Cash and cash equivalents at the end of the period	5 <u>4,803</u>	<u>2,257</u>

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

**For AI-Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN PAKISTAN EXCHANGE TRADED FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Pakistan Exchange Traded Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed under the Trust Act, 1882 on January 9, 2020 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 3, 2020 under 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 Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 16, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund is a Shariah Compliant Exchange Traded Fund that aims to provide investors an opportunity to track the performance of Meezan Pakistan Index (MZNPI) that has been constituted and is maintained by the Management Company, and comprises of 12 shariah compliant equity securities selected with high consideration towards market capitalisation and traded value. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund is a hybrid type of fund having features of both open and closed end funds. A new concept of "Authorised Participants "APs" has been introduced who will act as market makers. The Management Company will only have contact with the APs for issuance and redemption of units. The units of the Fund are tradeable in the Pakistan Stock Exchange Limited (PSX). The APs to whom the units are issued may either keep the units with themselves or trade in the PSX. Consequently, upon trading, the holder of the units keeps on changing. Moreover, on issuance and redemption of units, the basket of shares will be exchanged between AP and Management Company and cash will be paid / received if there is a difference in the applicable net asset value of a creation unit and the market value of the portfolio deposit.

1.4 The Fund is an Open Ended Exchange Traded Mutual Fund categorised as "Listed Index Tracking Fund" and is listed on Pakistan Stock Exchange (PSX) Limited.

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

1.6 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 27, 2021 (2020: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: 'AM1' dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

- Provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the 'International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declared that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial

	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
5 BALANCES WITH BANK			
Balances with bank in:			
Savings accounts	5.1	4,709	1,186
Current account		94	22
		<u>4,803</u>	<u>1,208</u>

- 5.1 This represents balances maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.50% (June 30, 2021: 2.50%) per annum.

	Note	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
6 INVESTMENTS			
At fair value through profit or loss			
Shares of listed companies - 'ordinary shares'	6.1	83,744	38,827

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2021	Purchased during the period	Bonus / right shares	Sold during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution)/ appreciation as at December 31, 2021	Percentage in relation to		
									Net assets of the Fund	Paid-up capital of investee company (with face value of investments)	Total market value of investments
Number of shares						(Rupees in '000)			%		
Cement											
D.G. Khan Cement Company Limited	18,550	28,656	-	6,042	41,164	4,457	3,414	(1,043)	3.87	0.01	4.08
Lucky Cement Limited	7,700	11,900	-	2,532	17,068	14,249	11,594	(2,655)	13.13	0.01	13.84
Maple Leaf Cement Factory Limited	42,700	65,584	-	14,912	93,372	4,058	3,357	(701)	3.80	0.01	4.01
									20.80	0.03	21.93
Engineering											
International Steels Limited	17,850	-	-	17,850	-	-	-	-	-	-	-
									-	-	-
Fertilizer											
Engro Corporation Limited	17,500	36,686	-	1,978	52,208	15,242	14,223	(1,019)	16.10	0.01	16.98
Engro Fertilizers Limited	53,550	26,180	-	79,730	-	-	-	-	-	-	-
									16.10	0.01	16.98
Foods and Personal Care Products											
Unity Foods limited	60,900	79,360	-	36,848	103,412	4,157	2,737	(1,420)	3.10	0.01	3.27
									3.10	0.01	3.27
Oil and Gas Exploration Companies											
Oil and Gas Development Company Limited *	32,550	92,589	-	3,655	121,484	11,193	10,472	(721)	11.86	-	12.50
Pakistan Oilfields Limited	6,300	2,992	-	9,292	-	-	-	-	-	-	-
Pakistan Petroleum Limited *	33,600	95,684	-	3,784	125,500	10,431	9,920	(511)	11.23	-	11.85
									23.09	-	24.35
Oil and Gas Marketing Companies											
Pakistan State Oil Company Limited	18,550	27,696	-	7,090	39,156	8,477	7,122	(1,355)	8.06	0.01	8.50
									8.06	0.01	8.50
Pharmaceuticals											
The Searle Company Limited	8,400	14,122	5,616	2,034	26,104	4,702	3,752	(950)	4.25	0.09	4.48
									4.25	0.09	4.48
Power Generation and Distribution											
The Hub Power Company Limited	-	183,732	-	-	183,732	14,326	13,107	(1,219)	14.84	0.01	15.65
									14.84	0.01	15.65
Refinery											
Attock Refinery Limited	-	14,056	-	-	14,056	3,194	2,024	(1,170)	2.29	0.01	2.42
National Refinery Limited	-	7,028	-	-	7,028	2,925	2,000	(925)	2.26	0.01	2.39
									4.55	0.02	4.81
Right certificates											
Foods and Personal Care Products											
Unity Foods limited	-	-	20,806	-	20,806	-	22	22	0.02	0.01	0.03
									0.02	0.01	0.03
Total as at December 31, 2021						97,411	83,744	(13,667)	94.81		100.00
Total as at June 30, 2021						37,641	38,827	1,186	98.83		100.00

* Nil figures due to rounding off

6.1.1 All shares have a nominal value of Rs 10 each.

		December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
7	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	
	Remuneration payable	7.1	7
	Sindh Sales Tax payable on remuneration of the Management Company		1
			-
			1
		<u>8</u>	<u>1</u>

7.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 0.5% (December 31, 2020: 0.5%) per annum of the average annual net assets of the Fund during the period ended December 31, 2021. The remuneration is payable to the Management Company monthly in arrears.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the period, Trustee has revised its tariff as follows:

Previous Tariff		Revised Tariff (Flat Rate)
Net assets (Rs.)	Fee	
- up to Rs. 1 billion	0.20% per annum of net assets	0.10% per annum
- exceeding Rs 1 billion	Rupees 2.0 million plus 0.10% per annum of net assets, exceeding Rs.1,000 million	of net assets

Accordingly, the Fund has charged trustee fee at the rate 0.10 percent per annum of net assets during the period with effect from October 1, 2021.

		December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
9	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	
	Auditors' remuneration payable		100
	Brokerage payable		5
	Charity payable		40
	Zakat payable		80
	Withholding tax payable		737
	Other accrued expenses payable		4
	Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	123
			264
			1,089

9.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

10 CONTINGENCIES AND COMMITMENTS

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

11 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

The details of transactions carried out by the Fund with connected persons / related parties during the period and balances with them as at period end are as follows:

Balances	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	7	1
Sindh Sales Tax payable on remuneration of the Management Company	1	-
Investment of 1,000,000 units (June 30, 2021: 1,000,000 units)	8,796	10,339
Meezan Bank Limited		
Bank balance	4,803	1,208
Profit receivable on savings accounts	24	24
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	7	4
Sindh Sales Tax payable on remuneration of the Trustee	1	1
Transactions during the period		
	Six months period ended December 31, 2021 (Unaudited) (Rupees in '000)	For the period from October 6, 2020 to December 31, 2020
Al Meezan Investment Management Limited - Management Company		
Remuneration of the Management Company	190	27
Sindh Sales Tax on remuneration of the Management Company	25	3
Units issued: nil units (2020: 1,000,000 units)	-	10,015
Meezan Bank Limited		
Profit on savings accounts	35	9
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	38	11
Sindh Sales Tax on Remuneration of the Trustee	5	1
CDS charges	3	2

12 FAIR VALUE MEASUREMENT

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

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

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

12.1 Fair value hierarchy

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

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

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

	As at December 31, 2021		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
Financial assets 'at fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	83,744	-	-
	(Rupees in '000)		
	As at June 30, 2021		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
Financial assets 'at fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	38,827	-	-

13 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2021 based on current period results is 1.77% (December 31, 2020: 1.45%) which includes 0.11% (December 31, 2020: 0.27%) representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Index Scheme'.

14 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Fund has incurred net loss during the current period, therefore no provision for taxation has been made in these condensed interim financial statements.

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

15 GENERAL

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

16 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For Al-Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN

BALANCED FUND (MBF)

Meezan Balanced Fund is Pakistan's first Shariah Compliant balanced scheme. It seeks to generate long term capital appreciation as well as current income by creating a balanced portfolio that is invested in both high quality Shariah Compliant equity securities and income instruments such as TFC's, COI's, Certificates of Musharika, Islamic Sukuks, Ready-future hedges and other Shariah Compliant instruments.



PAKISTAN COLLECTS

RS. 4.7

**TRILLION
IN
TAXES,
SURPASSING
THE TARGET**

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	MCB Islamic Bank
Askari Bank Limited - Islamic Banking	Meezan Bank Limited
Bank Al Habib Limited - Islamic Banking	National Bank of Pakistan - Islamic Banking
Bank Alfalah Limited	Samba Bank Limited
Bank Islami Pakistan Limited	Sindh Bank Limited
Dubai Islamic Bank Pakistan Limited	The Bank Of Khyber - Islamic Banking
Faysal Bank Limited - Islamic Banking	UBL Ameen - Islamic Banking

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
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Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

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Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN BALANCED 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 Meezan Balanced Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Balanced Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi



MEEZAN BALANCED FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	558,624	1,116,066
Investments	6	3,788,907	3,653,901
Receivables against conversion of units		2,561	7,965
Dividend receivable		666	8,950
Receivable against sale of investments		24,031	3,217
Advances, deposits and other receivables		56,810	77,868
Total assets		<u>4,431,599</u>	<u>4,867,967</u>
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	7	16,082	12,761
Payable to Central Depository Company of Pakistan Limited - Trustee		518	516
Payable to the Securities and Exchange Commission of Pakistan		468	876
Payable to Meezan Bank Limited		14	143
Payable against purchase of investments		21,527	14,269
Payable against redemption and conversion of units		435	11,551
Dividend payable		7,498	7,498
Accrued expenses and other liabilities	8	45,475	107,216
Total liabilities		<u>92,017</u>	<u>154,830</u>
Net assets		<u>4,339,582</u>	<u>4,713,137</u>
Contingencies and commitments	9		
Unit holders' fund (as per statement attached)		<u>4,339,582</u>	<u>4,713,137</u>
		(Number of units)	
Number of units in issue		<u>270,215,445</u>	<u>290,931,590</u>
		(Rupees)	
Net asset value per unit		<u>16.0597</u>	<u>16.2002</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN BALANCED FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended		Quarter ended	
		December 31,		December 31,	
		2021	2020	2021	2020
		(Rupees in '000)		(Rupees in '000)	
Income					
Net realised (loss) / gain on sale of investments		(40,994)	55,050	(37,385)	29,769
Dividend income		74,761	52,469	44,088	39,973
Profit on sukuk certificates		56,878	60,315	27,310	29,025
Profit on commercial papers		11,533	-	8,920	-
Profit on savings accounts with banks		30,574	27,086	14,099	13,619
		132,752	194,920	57,032	112,386
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.4	(119,863)	421,991	(1,959)	115,342
Total income		12,889	616,911	55,073	227,728
Expenses					
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	46,787	43,318	22,829	21,841
Sindh Sales Tax on remuneration of the Management Company		6,082	5,631	2,967	2,839
Allocated expenses	7.2	2,573	2,166	1,255	1,092
Selling and marketing expenses	7.3	23,393	8,664	11,414	4,369
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,843	2,669	1,393	1,345
Sindh Sales Tax on remuneration of the Trustee		370	347	182	175
Annual fee to the Securities and Exchange Commission of Pakistan		468	433	228	218
Auditors' remuneration		397	342	243	200
Charity expense		1,939	1,590	929	1,243
Fees and subscription		297	215	269	136
Legal and professional charges		184	-	-	-
Brokerage expense		2,060	2,010	848	1,168
Bank and settlement charges		336	223	173	186
Provision against sukuk (Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	6.2.1.2.3 8.1	28,125 (60,542)	- 10,986	- -	- 3,858
Total expenses		55,312	78,594	42,730	38,670
Net (loss) / income for the period before taxation		(42,423)	538,317	12,343	189,058
Taxation	12	-	-	-	-
Net (loss) / income for the period after taxation		(42,423)	538,317	12,343	189,058
Allocation of net income for the period					
Net income for the period after taxation		-	538,317		
Income already paid on units redeemed		-	(46,227)		
		-	492,090		
Accounting income available for distribution					
- Relating to capital gains		-	477,041		
- Excluding capital gains		-	15,049		
		-	492,090		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN BALANCED FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	<u>Six months period ended,</u> <u>December 31,</u>		<u>Quarter ended,</u> <u>December 31,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>(Rupees in '000)</u>		<u>(Rupees in '000)</u>	
Net (loss) / income for the period after taxation	(42,423)	538,317	12,343	189,058
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(42,423)</u>	<u>538,317</u>	<u>12,343</u>	<u>189,058</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN BALANCED FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	4,059,835	653,302	4,713,137	3,839,430	76,131	3,915,561
Issue of 28,599,217 units (2020: 81,185,221 units)						
- Capital value (at net asset value per unit at the beginning of the period)	463,313	-	463,313	1,113,342	-	1,113,342
- Element of income	1,787	-	1,787	102,772	-	102,772
Total proceeds on issuance of units	465,100	-	465,100	1,216,114	-	1,216,114
Redemption of 49,315,362 units (2020: 83,371,958 units)						
- Capital value (at net asset value per unit at the beginning of the period)	798,919	-	798,919	1,143,330	-	1,143,330
- Element of (income) / loss	(2,687)	-	(2,687)	62,305	46,227	108,532
Total payments on redemption of units	796,232	-	796,232	1,205,635	46,227	1,251,862
Total comprehensive (loss) / income for the period	-	(42,423)	(42,423)	-	538,317	538,317
Distribution during the period	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(42,423)	(42,423)	-	538,317	538,317
Net assets at the end of the period	3,728,703	610,879	4,339,582	3,849,909	568,221	4,418,130
Undistributed income brought forward						
- Realised income		218,892			25,518	
- Unrealised income		434,410			50,613	
		<u>653,302</u>			<u>76,131</u>	
Accounting income available for distribution						
- Relating to capital gains		-			477,041	
- Excluding capital gains		-			15,049	
		-			492,090	
Net loss for the period after taxation		(42,423)			-	
Distribution during the period		-			-	
Undistributed income carried forward		<u>610,879</u>			<u>568,221</u>	
Undistributed income carried forward						
- Realised income		730,742			146,230	
- Unrealised (loss) / income		(119,863)			421,991	
		<u>610,879</u>			<u>568,221</u>	
Net asset value per unit at the beginning of the period			(Rupees) 16.2002			(Rupees) 13.7136
Net asset value per unit at the end of the period			<u>16.0597</u>			<u>15.5932</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN BALANCED FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

Note	Six months period ended December 31,	
	2021	2020
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(42,423)	538,317
Adjustments for:		
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	119,863	(421,991)
	77,440	116,326
(Increase) / decrease in assets		
Investments - net	(254,869)	273,917
Dividend receivable	8,284	(12,280)
Receivable against sale of investments	(20,814)	(16,359)
Deposits and other receivables	21,058	(3,462)
	(246,341)	241,816
Increase / (decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	3,321	8,603
Payable to Central Depository Company of Pakistan Limited - Trustee	2	58
Payable to the Securities and Exchange Commission of Pakistan	(408)	(472)
Payable to Meezan Bank Limited	(129)	(27)
Payable against purchase of investments	7,258	8,398
Accrued expenses and other liabilities	(61,741)	(11,684)
	(51,697)	4,876
Net cash (used in) / generated from operating activities	(220,598)	363,018
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	470,504	1,211,204
Payments against redemption and conversion of units	(807,348)	(1,249,074)
Dividend paid	-	(45,496)
Net cash used in financing activities	(336,844)	(83,366)
Net (decrease) / increase in cash and cash equivalents during the period	(557,442)	279,652
Cash and cash equivalents at the beginning of the period	1,116,066	785,606
Cash and cash equivalents at the end of the period	558,624	1,065,258

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN BALANCED FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Balanced Fund (the Fund) was initially established as a closed-end scheme under a Trust Deed executed under the Trust Act, 1882 between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 15, 2004 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on September 8, 2004 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The registered office of the Management Company is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

Subsequently, on May 3, 2013, SECP vide its letter No. SCD/AMCW/MBF /512/2013 had approved the conversion of the closed end structure into an open end scheme through the establishment of the Unit Trust Scheme under the name of Meezan Balanced Fund (MBF). On June 27, 2013, SECP vide its letter No SCD/AMCW/MBF/613/2013 registered MBF (the open-end scheme) as a notified entity and had withdrawn the registration of MBF as a closed end scheme with effect from the effective date i.e. July 1, 2013 and therefore from July 1, 2013, the Fund had been converted into an open end scheme and, accordingly, the certificate holders of the closed end scheme at June 30, 2013 were converted to unitholders of the open end scheme.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Consequently, the Fund is now required to be registered under the Sindh Trust Act. Accordingly, on September 3, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP.

1.3 The investment objective of the Fund is to generate long-term capital appreciation as well as current income by creating a balanced portfolio that is invested both in high quality Shariah compliant equity securities and Islamic income instruments such as Islamic Sukuks (certificates of Islamic investment), musharaka certificates, Government Securities, cash in bank accounts, Money Market Placements, Deposits, Certificates of Deposits, Term Deposits Receipts, Commercial Papers, Islamic alternatives of Reverse Repos, Spread Transactions, and other Shariah compliant instruments as indicated by the SECP. Under the Trust Deed all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.4 The Fund is an open-end fund listed on the Pakistan Stock Exchange Limited. The Fund is categorised as a Shariah Compliant Balanced Fund in accordance with Circular 7 of 2009 issued by the SECP.

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

1.6 The Management Company has been assigned a Asset Manager Quality rating of AM1 by VIS Credit Rating Company Limited dated December 27, 2021 (2020: AM1 dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: AM1 dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

- Provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES / ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5	BALANCES WITH BANKS	Note	December 31,	June 30,
			2021 (Unaudited)	2021 (Audited)
			(Rupees in '000)	
	In savings accounts	5.1	551,097	1,107,485
	In current accounts		7,527	8,581
			<u>558,624</u>	<u>1,116,066</u>

- 5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.5% (June 30, 2021: 2.5%) per annum. Other balances in savings accounts have expected profit rates ranging from 1.50% to 11.5% per annum (June 30, 2021: 1.50% to 7% per annum).

	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
6 INVESTMENTS			
At fair value through profit or loss			
Shares of listed companies - 'ordinary shares'	6.1	2,155,439	2,205,560
Sukuk certificates	6.2.1 & 6.2.2	1,089,381	1,448,341
Commercial papers	6.2.3	544,087	-
		<u>3,788,907</u>	<u>3,653,901</u>

6.1 Shares of listed companies 'ordinary shares'

Name of the investee company	As at July 1, 2021	Purchases during the period	Right / bonus issue	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution)/ appreciation as at December 31, 2021	Percentage in relation to		
									Total market value of invest- ments	Net assets of the Fund	Paid-up-capital of the investee company (with face value of investments)
						Number of shares		(Rupees in '000)		%	
Sectors / companies											
Automobile Assemblers											
Ghandhara Industries Limited	2,100	-	-	-	2,100	586	371	(215)	0.01	0.01	-
Ghandhara Nissan Limited	-	120,000	-	80,400	39,600	4,741	3,094	(1,647)	0.08	0.07	0.07
Milat Tractors Company Limited	27,063	5,000	6,412	19,000	19,475	17,520	16,792	(728)	0.44	0.39	0.03
Pak Suzuki Motor Company Limited	77,000	-	-	77,000	-	-	-	-	-	-	-
									0.53	0.47	0.10
Automobile parts and accessories											
Panther Tyres Limited	22,460	200,000	44,492	242,952	24,000	1,457	1,002	(455)	0.03	0.02	0.01
Cement											
Attock Cement Pakistan Limited	4,528	-	-	-	4,528	814	629	(185)	0.02	0.01	-
Cherat Cement Company Limited	147,300	125,000	-	99,900	172,400	30,324	25,569	(4,755)	0.67	0.59	0.09
DG Khan Cement Company Limited	360,938	335,000	-	315,400	380,538	35,884	31,562	(4,322)	0.83	0.73	0.09
Fauji Cement Company Limited	-	200,000	-	-	200,000	3,704	3,674	(30)	0.10	0.08	0.01
Kohat Cement Limited	415,520	-	-	8,500	407,020	84,046	76,764	(7,282)	2.03	1.77	0.20
Lucky Cement Limited	260,391	31,019	-	61,709	229,701	195,764	156,032	(39,732)	4.12	3.60	0.07
Maple Leaf Cement Limited	1,098,771	1,055,650	-	560,000	1,594,421	64,636	57,320	(7,316)	1.51	1.32	0.15
									9.28	8.10	0.61
Chemicals											
Dynea Pakistan Limited (note 6.1.1)	25,000	3,000	-	-	28,000	6,248	6,034	(214)	0.16	0.14	0.15
Engro Polymer & Chemicals Limited	848,454	572,000	-	415,500	1,004,954	50,232	54,479	4,247	1.44	1.26	0.11
I.C.I. Pakistan Limited	82,266	2,500	-	18,350	66,416	57,278	50,533	(6,745)	1.33	1.16	0.07
Nimir Resins Limited	80,000	-	-	80,000	-	-	-	-	-	-	-
Sitara Chemical Industries Limited	18,100	-	-	18,100	-	-	-	-	-	-	-
									2.93	2.56	0.33
Commercial Banks											
BankIslami Pakistan Limited	631,462	1,405,500	-	-	2,036,962	25,745	26,093	348	0.69	0.60	0.18
Meezan Bank Limited	931,273	90,000	138,190	10,000	1,149,463	118,443	154,154	35,711	4.07	3.55	0.07
									4.76	4.15	0.25
Engineering											
Agha Steel Industries Limited	389,484	-	19,474	408,958	-	-	-	-	-	-	-
Aisha Steel Mills Limited	240,000	450,000	-	690,000	-	-	-	-	-	-	-
Amreli Steels Limited	-	335,000	-	-	335,000	16,041	14,994	(1,047)	0.40	0.35	-
International Industries Limited	156,720	-	-	126,700	30,020	6,335	4,167	(2,168)	0.11	0.10	0.02
International Steels Limited	100,000	-	-	47,000	53,000	4,951	3,504	(1,447)	0.09	0.08	0.01
Ittefaq Iron Industries Limited	545,000	373,500	-	-	918,500	15,560	10,995	(4,565)	0.29	0.25	0.64
Mughal Iron & Steels Industries Limited	191,800	656,400	109,785	50,000	907,985	82,686	94,531	11,845	2.49	2.18	0.27
KSB Pumps Company Limited	5,000	-	-	5,000	-	-	-	-	-	-	-
									3.38	2.95	0.94



Name of the investee company	As at July 1, 2021	Purchases during the period	Right / bonus issue	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution)/ appreciation as at December 31, 2021	Percentage in relation to			
									Total market value of investments	Net assets of the Fund	Paid-up-capital of the investee company (with face value of investments)	
----- Number of shares -----						----- (Rupees in '000) -----			----- % -----			
Fertilizers												
Engro Corporation Limited (Note 6.1.3)	356,014	20,000	-	30,000	346,014	102,001	94,261	(7,740)	2.49	2.17	0.04	
Engro Fertilizers Limited	556,924	495,000	-	75,000	976,924	70,259	74,334	4,075	1.96	1.71	0.07	
Fauji Fertilizer Bin Qasim Limited	-	500,000	-	-	500,000	13,139	12,390	(749)	0.33	0.29	0.04	
									4.78	4.17	0.15	
Food & Personal Care Products												
Al Shaheer Corporation Limited (note 6.1.2)	8,546	-	-	-	8,546	170	115	(55)	0.00	0.00	-	
At-Tahir Limited	-	286,500	34,380	-	320,880	7,524	7,383	(141)	0.19	0.17	0.16	
Unity Foods Limited	658,000	366,100	-	917,647	106,453	4,375	2,818	(1,557)	0.07	0.06	0.01	
									0.27	0.24	0.17	
Glass & Ceramics												
Shabbir Tiles & Ceramics Limited (note 6.1.1)	675,000	159,500	-	-	834,500	27,847	19,477	(8,370)	0.51	0.45	0.26	
Leather & Tanneries												
Service GlobalFootwear Limited	108,430	-	-	25,000	83,430	4,825	3,868	(957)	0.10	0.09	0.04	
Miscellaneous												
Pakistan Aluminium Beverage Cans Limited	-	303,247	-	303,247	-	-	-	-	-	-	-	
Oil & Gas Exploration Companies												
Mari Petroleum Company Limited (note 6.1.2)	113,247	21,260	-	2,180	132,327	206,128	218,899	12,771	5.78	5.04	0.10	
Oil and Gas Development Company Limited	1,222,369	245,562	-	-	1,467,931	137,887	126,536	(11,351)	3.34	2.92	0.03	
Pakistan Oilfields Limited	177,223	-	-	4,000	173,223	68,226	61,948	(6,278)	1.63	1.43	0.06	
Pakistan Petroleum Limited	1,409,128	125,000	-	-	1,534,128	132,752	121,257	(11,495)	3.20	2.79	0.06	
									13.95	12.18	0.25	
Oil and Gas Marketing Companies												
Hascol Petroleum Limited (note 6.1.2)	1,901	-	-	-	1,901	17	12	(5)	0.00	0.00	-	
Pakistan State Oil Company Limited (note 6.1.2)	431,190	30,000	-	75,000	386,190	84,945	70,244	(14,701)	1.85	1.62	0.08	
Sui Northern Gas Pipelines Limited	458,000	570,000	-	110,000	918,000	45,134	30,707	(14,427)	0.81	0.71	0.14	
									2.66	2.33	0.22	
Paper & Board												
Cherat Packaging Limited	40	-	-	-	40	8	6	(2)	0.00	0.00	-	
Century Paper & Board Mills Limited	300,300	-	45,045	-	345,345	36,658	27,317	(9,341)	0.72	0.63	0.17	
Roshan Packages Limited	86,500	-	-	44,000	42,500	1,400	833	(567)	0.02	0.02	0.03	
Security Paper Limited	25,000	-	-	25,000	-	-	-	-	-	-	-	
Packages Limited	94,023	-	-	5,650	88,373	48,181	43,945	(4,236)	1.16	1.01	0.10	
									1.90	1.66	0.30	
Pharmaceuticals												
Abbott Laboratories (Pakistan) Limited	2,250	-	-	-	2,250	1,782	1,614	(168)	0.04	0.04	-	
AGP Limited	203,500	-	-	203,000	500	58	48	(10)	0.00	0.00	-	
GlaxoSmithKline Consumer Healthcare Pakistan Limited	46,900	-	-	-	46,900	11,729	11,306	(423)	0.30	0.26	0.01	
Highnoon Laboratories Limited (note 6.1.2)	481	-	-	-	481	289	302	13	0.01	0.01	-	
IBL HealthCare Limited	170,000	58,600	38,920	20,000	247,520	22,390	17,351	(5,039)	0.46	0.40	0.38	
The Searle Company Limited (note 6.1.2)	151,181	10,395	45,354	15,000	191,930	35,351	27,584	(7,767)	0.73	0.64	0.06	
									1.54	1.34	0.45	
Power Generation & Distribution												
K-Electric Limited (note 6.1.1)	6,482,500	1,000,000	-	-	7,482,500	30,448	25,740	(4,708)	0.68	0.59	0.03	
The Hub Power Company Limited	967,150	364,400	-	-	1,331,550	104,321	94,993	(9,328)	2.51	2.19	0.10	
									3.19	2.78	0.13	
Real Estate Investment Trust												
Dolmen City REIT	1,909,000	-	-	-	1,909,000	21,037	23,213	2,176	0.61	0.53	0.09	
Refinery												
Attock Refinery Limited	58,000	-	-	58,000	-	-	-	-	-	-	-	
Cnergyco PK Limited (Formerly Byco Petroleum Pakistan Limited)	1,810,000	1,860,000	-	866,000	2,804,000	28,222	19,095	(9,127)	0.50	0.44	0.05	
									0.50	0.44	0.05	

Name of the investee company	As at July 1, 2021	Purchases during the period	Right / bonus issue	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution)/ appreciation as at December 31, 2021	Percentage in relation to		
									Total market value of investments	Net assets of the Fund	Paid-up-capital of the investee company (with face value of investments)
----- Number of shares -----						----- (Rupees in '000) -----			----- % -----		
Technology & Communication											
Air Link Communication Limited	-	198,750	14,906	2,000	211,656	14,077	12,289	(1,788)	0.32	0.28	0.05
Avanceon Limited	442,776	211,500	-	527,776	126,500	11,051	11,527	476	0.30	0.27	0.05
Octopus Digital Limited	-	74,836	-	50,000	24,836	1,008	1,931	923	0.05	0.04	0.02
Systems Limited	153,615	-	-	25,000	128,615	72,053	97,727	25,674	2.58	2.25	0.09
Worldcall Telecom Limited	-	1,000,000	-	-	1,000,000	2,834	2,080	(754)	0.05	0.05	0.06
									3.31	2.89	0.27
Textile composite											
Feroze1888 Mills Limited	77,800	-	4,668	-	82,468	8,146	6,028	(2,118)	0.16	0.14	0.02
Interloop Limited	914,222	5,000	27,576	-	946,798	64,385	68,823	4,438	1.82	1.59	0.11
Kohinoor Textile Mills Limited	50,000	55,000	-	-	105,000	8,540	7,289	(1,251)	0.19	0.17	0.04
Nishat Mills Limited	314,100	60,000	-	150,000	224,100	20,955	17,834	(3,121)	0.47	0.41	0.06
									2.64	2.30	0.23
Right Certificates											
Food & Personal Care Products											
Unity Foods Limited	-	21,418	-	-	21,418	-	22	22	-	-	-
Total as at December 31, 2021						<u>2,273,147</u>	<u>2,155,439</u>	<u>(117,708)</u>			
Total as at June 30, 2021						<u>1,777,673</u>	<u>2,205,560</u>	<u>427,887</u>			

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of Dynea Pakistan Limited and Shabbir Tiles and Ceramics Limited which have a nominal value of Rs 5 each and K-Electric Limited which have a nominal value of Rs 3.5 each.

6.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies are liable to withhold five percent of the bonus shares to be issued. The shares so withheld shall only be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50% of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the year ended June 30, 2020, the CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honourable High Court of Sindh had issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies.

As at December 31, 2021, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 4.997 million (June 30, 2021: 6.102 million).

6.1.3 Investments include 150,000 (June 30, 2021: 150,000) shares of Engro Corporation Limited, having a market value of Rs 40.863 million (June 30, 2021: Rs 44.192 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

6.2 Sukuk certificates

6.2.1 Corporate sukuks

Name of the investee company	Profit payments / principal redemptions	Maturity	Profit rate	As at July 1, 2021	Purchases during the period	Sales / Redemptions / matured during the period	As at December 31, 2021	Carrying value as at December 31, 2021*	Market value as at December 31, 2021*	Unrealised (diminution)/ appreciation as at December 31, 2021	Percentage in relation to			
											Net assets of the Fund	Total issue (with face value of investment)	Total market value of investments	
				-----Number of certificates-----				----- (Rupees in '000) -----				----- % -----		

NON-PERFORMING ASSETS

Security Leasing Corporation Limited II* (note 6.2.1.2) (non-traded)	N/A	January 19, 2022	N/A	5,000	-	-	5,000	-	-	-	-	-	-
Eden Housing Limited* (note 6.2.1.2) (non-traded)	N/A	September 29, 2014	N/A	5,000	-	-	5,000	-	-	-	-	-	-
Arzoo Textile Mills Limited* (note 6.2.1.2) (non-traded)	N/A	April 15, 2014	N/A	5,000	-	-	5,000	-	-	-	-	-	-
Hascol Petroleum Limited - Sukuk (note 6.2.1.2 and 6.2.1.2.1) (BBB-, VIS, non-traded)*	N/A	January 7, 2022	3 months KIBOR plus base rate of 1.50%	50,000	-	-	50,000	-	-	-	-	-	-

POWER GENERATION & DISTRIBUTION

K Electric Limited (sukuk 4) (AA+, VIS, non-traded)	Quarterly	June 17, 2022	3 months KIBOR plus base rate of 1%	60,003	-	-	60,003	30,276	30,272	(4)	0.70	1.38	0.80
The Hub Power Company Limited (AA+, PACRA, non traded) (note 6.2.1.1)	Quarterly/Semi-annually commencing from September 19, 2022	March 19, 2024	1 year KIBOR plus base rate of 1.90%	300	-	-	300	30,720	30,750	30	0.71	0.62	0.81
Neelum Jhelum Hydropower Company (Private) Limited (AAA, VIS, non-traded) (note 6.2.1.1)	Semi-annually	June 29, 2026	6 months KIBOR plus base rate of 1.13%	230	-	-	230	13,325	13,281	(44)	0.31	0.02	0.35
Hub Power Holdings Limited** (AA+, PACRA) (note 6.2.1.1)	Quarterly / Semi-annually commencing from May 12, 2024	November 12, 2025	6 months KIBOR plus base rate of 2.50%	2,000	-	-	2,000	164,917	164,917	-	3.80	2.75	4.35
K-Electric Limited (sukuk 5) (AA+, VIS, non-traded)	Quarterly / Quarterly commencing from November 3, 2022	August 3, 2027	3 months KIBOR plus base rate of 1.70%	30,000	-	12,000	18,000	91,395	91,800	405	2.12	0.37	2.42

COMMERCIAL BANKS

Dubai Islamic Bank Pakistan Limited - Sukuk (AA-, VIS, non-traded) (note 6.2.1.1)	Semi-annually / At maturity	July 14, 2027	6 months KIBOR plus base rate of 0.50%	141	-	-	141	144,943	145,724	781	3.36	3.64	3.85
Meezan Bank Limited (AA+, VIS, non-traded) (note 6.2.1.1), a related party of the Fund	Semi-annually / At maturity	September 22, 2026	6 months KIBOR plus base rate of 0.5%	80	-	80	-	-	-	-	-	-	-

MISCELLANEOUS

International Brands Limited (AA, VIS, non-traded) (note 6.2.1.1)	Quarterly / Monthly	May 5, 2022	3 months KIBOR plus base rate of 0.50%	650	-	-	650	10,908	10,913	5	0.25	2.30	0.29
Shakarganj Food Products Limited (BBB+, VIS, non-traded) (note 6.2.1.2.2 & 6.2.1.1)	Quarterly	July 10, 2025	3 months KIBOR plus base rate of 1.75%	82	-	-	82	61,737	62,137	400	1.43	11.43	1.64

Name of the investee company	Profit payments / principal redemptions	Maturity	Profit rate	As at July 1, 2021	Purchases during the period	Sales / Redemptions / matured during the period	As at December 31, 2021	Carrying value as at December 31, 2021*	Market value as at December 31, 2021*	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to				
											Net assets of the Fund	Total issue (with face value of investment)	Total market value of investments		
							-----Number of certificates-----			----- (Rupees in '000) -----			----- % -----		

PHARMACEUTICALS

AGP Limited (A+, PACRA, non-traded) (note 6.2.1.1)	Quarterly	June 9, 2022	3 months KIBOR plus base rate of 1.3%	405	-	-	405	4,079	4,082	3	0.09	1.67	0.11
OBS AGP (Private) Limited** (A+, VIS, non-traded) (note 6.2.1.1)	Quarterly / Quarterly commencing from October 15, 2022	July 15, 2026	3 months KIBOR plus base rate of 1.55%	-	320	-	320	32,000	32,000	-	0.74	6.40	0.84

CEMENT & CONSTRUCTION

Javedan Corporation Limited (AA-, VIS, non-traded) (note 6.2.1.1)	Semi-annually	October 4, 2026	6 months KIBOR plus base rate of 1.75%	750	-	-	750	61,875	61,393	(482)	1.41	2.46	1.62
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STEEL & ALLIED PRODUCTS

Agha Steel Industries Limited (A+, VIS, non-traded) (note 6.2.1.1)	Quarterly / Quarterly commencing from January 9, 2022	October 9, 2025	3 months KIBOR plus base rate of 0.80%	100	-	-	100	99,783	98,947	(836)	2.28	1.98	2.61
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CHEMICALS

Engro Polymer and Chemicals Limited (AA, PACRA, traded)	Quarterly / Semi-annually commencing from July 11, 2024	July 11, 2026	3 months KIBOR plus base rate of 0.90%	78	-	78	-	-	-	-	-	-	-
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Total as at December 31, 2021

745,958 746,216 258

Total as at June 30, 2021

949,701 951,818 2,117

* In case of debt securities against which provision has been made, these are carried at carrying value less provision.

** These investments have been carried at cost as these were not valued by MUFAP as at December 31, 2021.

6.2.1.1 The nominal value of these sukuk certificates is Rs 5,000 each except for the sukuk certificates of Eden Housing Limited having nominal value of Rs 984.375, International Brands Limited, AGP Limited, OBS AGP (Private) Limited, Javedan Corporation Limited, Hub Power Holdings Limited, Neelum Jhelum Hydropower Company (Private) Limited and Hub Power Company Limited having nominal value of Rs. 100,000 each and Dubai Islamic Bank Pakistan Limited, Meezan Bank Limited, Shakarganj Food Products Limited and Agha Steel Industries Limited having nominal value of Rs 1,000,000 each respectively.

6.2.1.2 Details of non-compliant investments with the investment criteria of the assigned category

The Securities and Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated July 07, 2010, prescribed certain disclosures for the schemes holding investments that were non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with the investment requirement of their constitutive documents. The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. Al Meezan Investment Management Limited (the Management Company) classified Meezan Balanced Fund (the Fund) as a 'Balanced Scheme' in accordance with the said circular. As at December 31, 2021. Following investments of the Funds are in sukuks which are non compliant securities. At the time of investment, these were compliant as per SECP criteria and the investment policy of the Fund.

Name of the investee company	Type of investments	Value of investments before provision	Provision held as at December 31, 2021	Value of investments after provision	Percentage of net assets	Percentage of total market value	
				----- (Rupees in '000) -----		----- % -----	
Arzoo Textile Mills Limited	Non-traded sukuk certificates	25,000	25,000	-	-	-	
Eden Housing Limited	Non-traded sukuk certificates	4,922	4,922	-	-	-	
Security Leasing Corporation Limited II	Non-traded sukuk certificates	7,701	7,701	-	-	-	
Hascol Petroleum Limited	Non-traded sukuk certificates	62,037	62,037	-	-	-	
Shakarganj Food Products Limited	Non-traded sukuk certificates	62,137	-	62,137	1.43	1.64	
		161,797	99,660	62,137			

6.2.1.2.1 On April 1, 2021, Hascol Petroleum Limited sukuk certificates have been classified as non-performing by Mutual Funds Association of Pakistan (MUFAP). Therefore, in accordance with the requirement of SECP's Circular No.33 of 2012, the sukuk certificates have been classified as non-performing asset and no further profit has been accrued thereafter. Further, in accordance with the said Circular, an amount of Rs. 62.037 (June 30, 2021: Rs. 33.912) million have also been held as provision. The face value of sukuk certificates is Rs 62.5 million as at December 31, 2021.

6.2.1.2.2 SECP's circular no. 33 of 2012 allows the asset manager to apply a mark up/mark down within available limit for valuation of any specific debt security. Exercising the discretionary power, sukuk certificates of Shakarganj Food Products Limited have been valued at a discretionary rate of 101.0358 when the reported market rate on MUFAP valuation sheet as at December 31, 2021 was 103.4130. The mark down in price has been done within allowable limits.

6.2.1.2.3 Movement of provision

	Note	Six months period ended December 31,	
		2021	2020
Balance as at July 1		71,535	37,623
Charge for the period	6.2.1.2.1	28,125	-
Reversals for the period		-	-
Balance as at December 31		<u>99,660</u>	<u>37,623</u>

6.2.2 Government securities - GOP Ijarah Sukuk

Name of the Security	Profit payments / principal redemptions	Issue Date	Maturity date	Profit rate	As at	Purchases	Sales /	As at	Carrying	Market	Unrealised	Percentage in relation to	
					July 1, 2021	during the period	matured during the period	December 31, 2021	value as at December 31, 2021	value as at December 31, 2021	(diminution)/ appreciation as at December 31, 2021	Net Assets of the Fund	Total market value of investments
					(Number of certificates)			(Rupees in '000)			%		
GoP Ijarah Sukuk Certificates - XVIII (Note 6.2.2.1)	Semi-annually / At maturity	April 30, 2020	April 30, 2025	Weighted Average 6 months T-Bills	1,480	-	-	1,480	143,738	142,805	(933)	3.29	3.77
GoP Ijarah Sukuk Certificates - XIX (Note 6.2.2.1)	Semi-annually / At maturity	May 29, 2020	May 29, 2025	Weighted Average 6 months T-Bills	1,500	-	1,500	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXII (Note 6.2.2.1)	Semi-annually / At maturity	December 09, 2020	December 09, 2025	Weighted Average 6 months T-Bills	2,000	-	-	2,000	201,840	200,360	(1,480)	4.62	5.29
GoP Ijarah Sukuk Certificates - XXIII (Note 6.2.2.1)	Semi-annually / At maturity	October 06, 2021	October 06, 2026	Weighted Average 6 months T-Bills	-	2,000	2,000	-	-	-	-	-	-
Total as at December 31, 2021									345,578	343,165	(2,413)		
Total as at June 30, 2021									492,117	496,523	4,406		

6.2.2.1 The nominal value of GoP Ijarah Sukuk certificates is Rs 100,000 each.

6.3 Commercial papers

Name of the security	Maturity date	Profit rate	As at	Purchases	Sales /	As at	Carrying	Market	Unrealised	Percentage in relation to	
			July 1, 2021	during the period	redemptions / maturity during the period	December 31, 2021	value as at December 31, 2021	value as at December 31, 2021	(diminution) / appreciation as at December 31, 2021	Net assets of the Fund	Total market value of investment
			(Number of certificates)			(Rupees in '000)			%		
Mughal Iron & Steel Industries Limited	July 21, 2022	6 months KIBOR plus base rate of 1.75%	-	165	-	165	156,967	156,967	-	3.62	4.14
Lucky Electric Power Company Limited	May 09, 2022	6 months KIBOR plus base rate of 0.75%	-	400	-	400	387,120	387,120	-	8.92	10.22
Total as at December 31, 2021							544,087	544,087	-		
Total as at June 30, 2021							-	-	-		

6.3.1 The nominal value of these commercial papers is Rs 1,000,000 each and these are redeemable at maturity.

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
		(Rupees in '000)	
6.4	Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	Note	
	Market value of investments	6.1,6.2,6.3 3,788,907	3,653,901
	Carrying value of investments	6.1,6.2,6.3 3,908,770	3,219,491
		<u>(119,863)</u>	<u>434,410</u>

7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management fee payable	7.1	1,220	555
Sindh Sales Tax payable on remuneration of the Management Company		159	72
Sales load payable		110	669
Sindh Sales Tax on sales load payable		14	87
Allocated expenses payable	7.2	411	412
Selling and marketing expenses payable	7.3	14,168	10,966
		<u>16,082</u>	<u>12,761</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (December 31, 2020: 2%) per annum of the average net assets of the Fund during the period ended December 31, 2021. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has currently charged allocated expenses at the rate of 0.11% (December 31, 2020: 0.1%) per annum of the average annual net assets of the Fund subject to the total expense charged being lower than actual expense incurred.

7.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at 1% (December 31, 2020: 0.4%) per annum of the average annual net assets of the Fund during the period subject to the total expense charged being lower than actual expense incurred.

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
		(Rupees in '000)	
8	ACCRUED EXPENSES AND OTHER LIABILITIES		
	Withholding tax payable	244	917
	Capital gain tax payable	653	-
	Provision for Sindh Workers' Welfare Fund (SWWF)	8.1 -	60,542
	Provision for Federal Excise Duty and related Sindh Sales Tax on Management Fee	8.2 31,961	31,961
	Provision for Federal Excise Duty and related Sindh Sales Tax on Sales load	8.2 6,838	6,838
	Brokerage expenses payable	1,234	1,401
	Charity payable	3,915	4,946
	Shariah advisory fee payable	242	243
	Auditors' remuneration payable	335	361
	Zakat payable	53	7
		<u>45,475</u>	<u>107,216</u>

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in the condensed interim financial statements of the Fund.

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

With effect from July 01, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 38.799 million is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.14 (June 30, 2021: Re 0.13) per unit.

9 CONTINGENCIES AND COMMITMENTS

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

10 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

10.1 Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

- 10.2** Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.
- 10.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 10.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 10.5** The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	(Rupees in '000)	
AI Meezan Investment Management Limited - the Management Company		
Management fee payable	1,220	555
Sindh Sales Tax payable on remuneration of the Management Company	159	72
Sales load payable	110	669
Sindh Sales Tax on sales load payable	14	87
Allocated expenses payable	411	412
Selling and Marketing expenses payable	14,168	10,966
Investment of 947,787 units (June 30, 2021: 947,787 units)	15,221	15,354
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	458	457
Sindh Sales Tax on trustee fee payable	60	59
Security deposit	300	300
Meezan Bank Limited		
Balances with banks	21,789	22,259
Sales load payable	12	127
Sindh Sales Tax on sales load payable	2	16
Shariah advisory fee payable	242	243
Investment of 18,886,746 units (June 30, 2021: 18,886,746 units)	303,315	305,969
Investment in nil sukuk certificates (June 30, 2021: 80 sukuk certificates)	-	82,850
Investment in 1,149,463 shares (June 30, 2021: 931,273 shares)	154,154	107,478
AI Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 473,186 units (June 30, 2021: 473,186 units)	7,599	7,666
Directors and Executives of the Management Company		
Investment of 6,527,586 units (June 30, 2021: 6,524,913 units)	104,831	105,705
Transactions during the period	For the six months period ended December 31	
	2021	2020
	(Unaudited)	
	(Rupees in '000)	
AI Meezan Investment Management Limited - the Management Company		
Remuneration of AI Meezan Investment Management Limited - Management Company	46,787	43,318
Sindh Sales Tax on remuneration of the Management Company	6,082	5,631
Allocated expenses	2,573	2,166
Selling and marketing expenses	23,393	8,664



Transactions during the period

**For the six months period
ended December 31**

2021 2020
(Unaudited)
(Rupees in '000)

Central Depository Company of Pakistan Limited - the Trustee

Remuneration of Central Depository Company of
Pakistan Limited - Trustee

	2,843	2,669
Sindh Sales Tax on remuneration of the Trustee	<u>370</u>	<u>347</u>
CDS charges	<u>59</u>	<u>58</u>

Meezan Bank Limited

Profit on savings account
Shares sold: 10,000 shares (2020: 38,500 shares)
Shares purchased: 90,000 shares (2020: 60,000 shares)
Bonus shares: 138,190 shares (2020: 93,388 shares)
Sukuks sold: 80 sukuks (2020: nil)
Profit on sukuk certificates
Dividend income
Shariah advisory fee

	232	229
	<u>1,606</u>	<u>4,034</u>
	<u>12,119</u>	<u>4,837</u>
	<u>-</u>	<u>-</u>
	<u>80,000</u>	<u>-</u>
	<u>2,952</u>	<u>3,944</u>
	<u>3,031</u>	<u>4,349</u>
	<u>269</u>	<u>187</u>

Directors and Executives of the Management Company

Units issued: 15,610 units (2020: 18,943 units)
Units redeemed: 12,937 units (2020: 5,867 units)

	251	276
	<u>210</u>	<u>85</u>

11 TOTAL EXPENSE RATIO

The annualised Total Expense Ratio (TER) of the Fund for the period ended December 31, 2021 is 3.75% (2020: 3.38%) which include 0.31% (2020: 0.56%) representing government levy such as sales taxes and SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Balanced Scheme.

12 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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

13 FAIR VALUE MEASUREMENT

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

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

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

13.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

As at December 31, 2021			
Level 1	Level 2	Level 3	Total
ASSETS			
Financial assets 'at fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	2,155,439	-	2,155,439
Sukuk certificates	-	1,089,381	1,089,381
Commercial papers*	544,087	-	544,087

As at June 30, 2021			
Level 1	Level 2	Level 3	Total
ASSETS			
Financial assets 'at fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	2,205,560	-	2,205,560
Sukuk certificates	-	1,448,341	1,448,341

* The valuation of commercial papers has been done based on amortisation of commercial paper to its face value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and they are placed with counterparties which have high credit rating. The commercial papers having maturity slightly more than six months have also been valued on the same basis.

14 GENERAL

Figures have been rounded off to the nearest thousand rupees.

15 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN

ASSET ALLOCATION FUND (MAAF)

Meezan Asset Allocation Fund is a Shariah Compliant Asset Allocation Scheme. It is designed to help investors build wealth by long-term capital appreciation, diversification across asset classes and the flexibility to change investment portfolio exposure as per the outlook.



AGRICULTURE SECTOR RECORDED A REMARKABLE GROWTH OF



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)
Bank Al Habib Limited - Islamic Banking
Bank Islami Pakistan Limited
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited
Dubai Islamic Bank Pakistan Limited

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN 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 Meezan Asset Allocation Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Asset Allocation Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi



**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021**

	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
Note	(Rupees in '000)	
Assets		
Balances with banks	5 161,904	249,862
Investments	6 1,242,405	1,423,402
Receivable against conversion of units	1,913	3,675
Receivable against sale of investments	11,808	8,132
Dividend receivable	240	640
Advances, deposits and other receivables	5,942	27,962
Total assets	<u>1,424,212</u>	<u>1,713,673</u>
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	7 5,118	4,504
Payable to Central Depository Company of Pakistan Limited - Trustee	221	241
Payable to the Securities and Exchange Commission of Pakistan	156	310
Payable to Meezan Bank Limited	2	49
Payable against redemption and conversion of units	6,840	8,790
Payable against purchase of investments	12,855	128
Accrued expenses and other liabilities	8 4,336	27,420
Total liabilities	29,528	41,442
Net assets	<u>1,394,684</u>	<u>1,672,231</u>
Contingencies and commitments	9	
Unit holders' fund (as per statement attached)	<u>1,394,684</u>	<u>1,672,231</u>
	(Number of units)	
Number of units in issue	<u>30,421,807</u>	<u>33,809,750</u>
	(Rupees)	
Net asset value per unit	<u>45.8449</u>	<u>49.4600</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31,		Quarter ended December 31,	
		2021	2020	2021	2020
		(Rupees in '000)		(Rupees in '000)	
Income					
Net realised (loss) / gain on sale of investments		(60,932)	56,989	(47,348)	37,474
Dividend income		40,207	28,023	23,506	20,589
Profit on savings accounts with banks		5,991	7,766	2,761	3,122
		<u>(14,734)</u>	<u>92,778</u>	<u>(21,081)</u>	<u>61,185</u>
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1	(89,288)	251,714	(4,924)	82,958
Total (loss) / income		<u>(104,022)</u>	<u>344,492</u>	<u>(26,005)</u>	<u>144,143</u>
Expenses					
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	11,672	11,229	5,486	5,487
Sindh Sales Tax on remuneration of the Management Company		1,517	1,460	713	713
Allocated expenses	7.2	856	749	402	366
Selling and marketing expenses	7.3	7,781	2,994	3,657	1,463
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,282	1,253	618	618
Sindh Sales Tax on remuneration of the Trustee		167	163	81	80
Annual fee to the Securities and Exchange Commission of Pakistan		156	150	74	73
Auditors' remuneration		223	203	136	94
Brokerage expense		3,116	2,622	1,223	1,991
Charity expense		858	838	433	630
Bank and settlement charges		344	218	175	171
Amortisation of preliminary expenses and floatation costs		-	91	-	46
Fees and subscription		297	300	135	155
Legal and professional charges		184	-	-	-
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	8.1	(21,839)	6,444	-	2,645
Total expenses		<u>6,614</u>	<u>28,714</u>	<u>13,133</u>	<u>14,532</u>
Net (loss) / income for the period before taxation		<u>(110,636)</u>	<u>315,778</u>	<u>(39,138)</u>	<u>129,611</u>
Taxation	11	-	-	-	-
Net (loss) / income for the period after taxation		<u>(110,636)</u>	<u>315,778</u>	<u>(39,138)</u>	<u>129,611</u>
Allocation of net income for the period					
Net income for the period after taxation		-	315,778		
Income already paid on units redeemed		-	(27,228)		
		<u>-</u>	<u>288,550</u>		
Accounting income available for distribution					
- Relating to capital gains		-	288,550		
- Excluding capital gains		-	-		
		<u>-</u>	<u>288,550</u>		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	<u>Six months period ended,</u> <u>December 31,</u>		<u>Quarter ended,</u> <u>December 31,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>(Rupees in '000)</u>		<u>(Rupees in '000)</u>	
Net (loss) / income for the period after taxation	(110,636)	315,778	(39,138)	129,611
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(110,636)</u>	<u>315,778</u>	<u>(39,138)</u>	<u>129,611</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	----- Rupees in '000-----			----- Rupees in '000-----		
Net assets at the beginning of the period	2,243,280	(571,049)	1,672,231	2,270,614	(931,312)	1,339,302
Issuance of 8,139,769 units (2020: 9,319,773 units)						
- Capital value (at net asset value per unit at the beginning of the period)	402,593	-	402,593	341,048	-	341,048
- Element of (loss) / income	(5,348)	-	(5,348)	48,126	-	48,126
Total proceeds on issuance of units	397,245	-	397,245	389,174	-	389,174
Redemption of 11,527,712 units (2020: 11,275,085 units)						
- Capital value (at net asset value per unit at the beginning of the period)	570,161	-	570,161	412,600	-	412,600
- Element of (income) / loss	(6,005)	-	(6,005)	30,269	27,228	57,497
Total payments on redemption of units	564,156	-	564,156	442,869	27,228	470,097
Total comprehensive (loss) / income for the period	-	(110,636)	(110,636)	-	315,778	315,778
Distribution during the period	-	-	-	-	-	-
Net (loss) / Income for the period less distribution	-	(110,636)	(110,636)	-	315,778	315,778
Net assets at the end of the period	<u>2,076,369</u>	<u>(681,685)</u>	<u>1,394,684</u>	<u>2,216,919</u>	<u>(642,762)</u>	<u>1,574,157</u>
Accumulated loss brought forward						
- Realised loss		(768,055)			(982,342)	
- Unrealised income		197,006			51,030	
		<u>(571,049)</u>			<u>(931,312)</u>	
Accounting income available for distribution						
- Relating to capital gains		-			288,550	
- Excluding capital gains		-			-	
					288,550	
Net loss for the period after taxation		(110,636)			-	
Accumulated loss carried forward		<u>(681,685)</u>			<u>(642,762)</u>	
Accumulated loss carried forward						
- Realised loss		(592,397)			(894,476)	
- Unrealised (loss) / income		(89,288)			251,714	
		<u>(681,685)</u>			<u>(642,762)</u>	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			<u>49.4600</u>			<u>36.5940</u>
Net asset value per unit at the end of the period			<u>45.8449</u>			<u>45.4385</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

	Six months period ended December 31,	
	2021	2020
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(110,636)	315,778
Adjustments for:		
Amortisation of preliminary expenses and floatation costs	-	91
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1 89,288	(251,714)
	<u>(21,348)</u>	<u>64,155</u>
Decrease / (increase) in assets		
Investments - net	91,709	(20,879)
Receivable against sale of investments	(3,676)	(17,487)
Dividend receivable	400	(1,239)
Advances, deposits and other receivables	22,020	284
	110,453	(39,320)
Increase / (decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	614	(1,449)
Payable to Central Depository Company of Pakistan Limited - Trustee	(20)	26
Payable to the Securities and Exchange Commission of Pakistan	(154)	(161)
Payable to Meezan Bank Limited	(47)	(29)
Dividend payable	-	(4,236)
Payable against purchase of investments	12,727	11,701
Accrued expenses and other liabilities	(23,084)	2,378
	(9,964)	8,230
Net cash generated from operating activities	<u>79,141</u>	<u>33,064</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	399,007	389,339
Payment against redemption and conversion of units	(566,106)	(477,762)
Net cash used in financing activities	(167,099)	(88,423)
Net decrease in cash and cash equivalents during the period	(87,958)	(55,359)
Cash and cash equivalents at the beginning of the period	249,862	245,253
Cash and cash equivalents at the end of the period	5 <u>161,904</u>	<u>189,894</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Asset Allocation Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed under the Trust Act, 1882 on November 25, 2015 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 16, 2015 under 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 Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on September 3, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The objective of the Fund is to earn potentially high return through asset allocation between Shariah Compliant equity instruments, Shariah Compliant fixed income instruments, Shariah Compliant money market instruments and any other Shariah Compliant instruments as permitted by the SECP and the Shariah Advisor. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund is an open-end Shariah Compliant Asset Allocation Scheme. Units 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 is listed on the Pakistan Stock Exchange Limited.

1.4 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 27, 2021 (2020: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: 'AM1' dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 The 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

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCE WITH BANKS	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited) (Rupees in '000)
Balances with banks in :			
Savings accounts	5.1	160,396	247,213
Current accounts		1,508	2,649
		<u>161,904</u>	<u>249,862</u>

5.1 This includes balances maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.50% (June 30, 2021: 2.50%) per annum. Other savings accounts of the Fund have expected rates of profit ranging from 2.35% to 11.50% (June 30, 2021: 2.24% to 7.32%) per annum.

6. INVESTMENTS	Note	December 31, 2021 (Un-audited) (Rupees in '000)	June 30, 2021 (Audited) (Rupees in '000)
At fair value through profit or loss			
Shares of listed companies - 'ordinary shares'	6.1	<u>1,242,405</u>	<u>1,423,402</u>

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2021	Purchased during the period	Bonus / right shares	Sold during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution) / appreciation as at December 31, 2021	Percentage in relation to		
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	Total market value of investments
----- (Number of shares) -----						----- (Rupees in '000) -----		----- % -----			
Automobile Assembler											
Gandhara Nissan Limited	-	225,000	-	225,000	-	-	-	-	-	-	-
Millat Tractors Limited	22,612	-	4,522	27,134	-	-	-	-	-	-	-
Pak Suzuki Motor Company Limited	99,500	-	-	99,500	-	-	-	-	-	-	-
Automobile Parts and Accessories											
Panther Tyres Limited	236,345	345,000	91,269	672,614	-	-	-	-	-	-	-
Cable & Electrical Goods											
Waves Singer Pakistan Limited	67,500	-	-	67,500	-	-	-	-	-	-	-
Cement											
Attock Cement Pakistan Limited *	4,900	-	-	1,800	3,100	557	431	(126)	0.03	-	0.03
Cherat Cement Company Limited	284,700	55,000	-	240,100	99,600	17,004	14,772	(2,232)	1.06	0.05	1.19
D.G. Khan Cement Company Limited	459,000	470,384	-	485,000	444,384	37,185	36,857	(328)	2.64	0.10	2.97
Fauji Cement Company Limited	320,000	-	-	75,000	245,000	5,635	4,501	(1,134)	0.32	0.02	0.36
Gharibwal Cement Limited	196,000	250,000	-	446,000	15,156	10,891	10,891	(4,265)	0.78	0.11	0.88
Kohat Cement Company Limited	125,300	7,500	-	7,000	125,800	26,080	23,726	(2,354)	1.70	0.06	1.91
Lucky Cement Limited	132,049	49,000	-	99,018	82,031	69,927	55,722	(14,205)	4.00	0.03	4.48
Maple Leaf Cement Factory Limited	677,707	1,107,000	-	610,000	1,174,707	42,510	42,231	(279)	3.03	0.11	3.40
									13.56	0.48	15.22
Chemicals											
Dynea Pakistan Limited (note 6.1.1)	80,900	-	-	15,000	65,900	14,564	14,201	(363)	1.02	0.35	1.14
Engro Polymer and Chemicals Limited	432,261	660,000	-	457,500	634,761	32,460	34,410	1,950	2.47	0.07	2.77
Ghani Global Holdings Limited	162,450	-	-	162,450	-	-	-	-	-	-	-
ICI Pakistan Limited	26,550	-	-	8,650	17,900	15,552	13,619	(1,933)	0.98	0.02	1.10
Nimir Resins Limited (note 6.1.1)	78,000	-	-	78,000	-	-	-	-	-	-	-
Sitara Chemical Industries Limited	19,500	-	-	19,500	-	-	-	-	-	-	-
									4.47	0.44	5.01
Commercial Banks											
BankIslami Pakistan Limited	857,500	2,353,000	-	-	3,210,500	39,600	41,127	1,527	2.95	0.29	3.31
Meezan Bank Limited (a related party of the Fund)	327,825	271,234	71,108	25,000	645,167	71,576	86,523	14,947	6.20	0.04	6.95
									9.15	0.33	10.26
Engineering											
Agha Steel Industries Limited	261,000	-	13,050	274,050	-	-	-	-	-	-	-
Aisha Steel Mills Limited	285,000	760,000	-	1,045,000	-	-	-	-	-	-	-
Arreli Steels Limited	-	680,000	-	-	680,000	32,428	30,437	(1,991)	2.18	0.23	2.45
International Industries Limited	201,200	-	-	201,200	-	-	-	-	-	-	-
International Steels Limited	297,000	-	-	297,000	-	-	-	-	-	-	-
Ittefaq Iron Industries Limited	915,000	717,500	-	-	1,632,500	27,300	19,541	(7,759)	1.40	1.13	1.57
Mughal Iron and Steel Industries Limited	404,020	648,400	134,613	90,000	1,097,033	98,728	114,212	15,484	8.19	0.33	9.19
									11.77	1.69	13.21
Fertilizer											
Engro Corporation Limited (note 6.1.2)	105,487	-	-	60,897	44,590	13,137	12,147	(990)	0.87	0.01	0.98
Engro Fertilizers Limited	228,348	215,000	-	50,000	393,348	29,041	29,930	889	2.15	0.03	2.41
Fauji Fertilizer Bin Qasim Limited	-	910,000	-	-	910,000	23,278	22,550	(728)	1.62	0.07	1.82
									4.64	0.11	5.21
Food And Personal Care Products											
Al-Shaheer Corporation Limited * (note 6.1.3)	7,704	-	-	-	7,704	154	104	(50)	0.01	-	0.01
At-Tahur Limited	-	485,000	34,200	350,000	169,200	4,033	3,893	(140)	0.28	0.09	0.31
Unity Foods Limited	511,000	635,000	-	1,019,980	126,020	4,548	3,336	(1,212)	0.24	0.01	0.27
									0.53	0.10	0.59
Glass and Ceramics											
Shabbir Tiles and Ceramics Limited (note 6.1.1)	1,753,000	340,000	-	-	2,093,000	68,793	48,851	(19,942)	3.50	0.87	3.93
Tariq Glass Industries Limited	76,500	-	-	76,500	-	-	-	-	-	-	-
									3.50	0.87	3.93
Leather & Tanneries											
Service GlobalFootwear Limited	79,505	-	-	36,500	43,005	2,487	1,994	(493)	0.14	0.02	0.16
									0.14	0.02	0.16



Name of the investee company	As at July 1, 2021	Purchased during the period	Bonus / right shares	Sold during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution) / appreciation as at December 31, 2021	Percentage in relation to		
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	Total market value of investments
									-----%		
----- (Number of shares) -----						----- (Rupees in '000) -----			-----%		
Miscellaneous											
Pakistan Aluminum Beverage Cans Limited	-	223,601	-	223,601	-	-	-	-	-	-	-
Oil And Gas Exploration Companies											
Mari Petroleum Company Limited	21,692	52,220	-	3,500	70,412	116,963	116,477	(486)	8.35	0.05	9.38
Oil and Gas Development Company Limited (note 6.1.2)	356,650	480,000	-	90,000	746,650	67,862	64,361	(3,501)	4.61	0.02	5.18
Pakistan Oilfields Limited	66,667	-	-	26,000	40,667	16,017	14,543	(1,474)	1.04	0.01	1.17
Pakistan Petroleum Limited	580,428	297,413	-	100,000	777,841	65,815	61,481	(4,334)	4.41	0.03	4.95
									18.41	0.11	20.68
Oil And Gas Marketing Companies											
Pakistan State Oil Company Limited (note 6.1.3)	193,861	42,000	-	62,000	173,861	37,886	31,624	(6,262)	2.27	0.04	2.55
Sui Northern Gas Pipelines Limited	641,400	385,000	-	518,554	507,846	24,094	16,987	(7,107)	1.22	0.08	1.37
									3.49	0.12	3.92
Paper and Board											
Century Paper and Board Mills Limited	304,100	-	32,100	90,100	246,100	26,123	19,467	(6,656)	1.40	0.12	1.57
Packages Limited	45,100	-	-	4,800	40,300	21,972	20,040	(1,932)	1.44	0.05	1.61
Roshan Packages Limited	200,000	-	-	-	200,000	6,588	3,918	(2,670)	0.28	0.14	0.32
Security Papers Limited	90,500	-	-	90,500	-	-	-	-	-	-	-
									3.12	0.31	3.50
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	50	-	-	50	-	-	-	-	-	-	-
AGP Limited	136,100	-	-	136,100	-	-	-	-	-	-	-
Ferozsons Laboratories Limited	38,300	-	-	38,300	-	-	-	-	-	-	-
GlaxoSmithKline Consumer Healthcare	22,100	-	-	-	22,100	5,527	5,327	(200)	0.38	0.02	0.43
IBL Healthcare Limited	444,000	6,500	78,800	56,000	473,300	43,702	33,178	(10,524)	2.38	0.73	2.67
The Searle Company Limited (note 6.1.3)	142,661	-	31,248	98,500	75,409	14,074	10,838	(3,236)	0.78	0.02	0.87
									3.54	0.77	3.97
Power Generation And Distribution											
The Hub Power Company Limited	797	150,000	-	-	150,797	11,653	10,758	(895)	0.77	0.01	0.87
K-Electric Limited (note 6.1.1)	2,579,500	1,000,000	-	-	3,579,500	14,208	12,313	(1,895)	0.88	0.01	0.99
									1.65	0.02	1.86
Refinery											
Attock Refinery Limited	90,000	-	-	90,000	-	-	-	-	-	-	-
Cnergyco PK Limited (Formerly Byco Petroleum Pakistan Limited)	2,590,000	3,920,000	-	2,612,000	3,898,000	37,211	26,545	(10,666)	1.90	0.07	2.14
Pakistan Refinery Limited	-	540,000	-	540,000	-	-	-	-	-	-	-
									1.90	0.07	2.14
Technology and Communication											
Air Link Communication Limited	-	318,500	10,237	232,000	96,737	6,434	5,617	(817)	0.40	0.02	0.45
Avanceon Limited	424,400	110,000	-	500,000	34,400	3,335	3,135	(200)	0.22	0.01	0.25
Netsol Technologies Limited	-	65,000	-	65,000	-	-	-	-	-	-	-
Octopus Digital Limited	-	75,524	-	50,000	25,524	1,036	1,985	949	0.14	0.02	0.16
Systems Limited	69,630	-	-	7,000	62,630	35,086	47,588	12,502	3.41	0.05	3.83
Worldcall Telecom Limited	3,050,000	5,000,000	-	-	8,050,000	27,684	16,744	(10,940)	1.20	0.45	1.35
									5.37	0.55	6.04
Textile Composite											
Feroze1888 Mills Limited	60,000	3,600	-	-	63,600	6,283	4,649	(1,634)	0.33	0.02	0.37
Interloop Limited	397,712	-	11,931	70,000	339,643	23,092	24,689	1,597	1.77	0.04	1.99
Kohinoor Textile Mills Limited	214,000	61,500	-	15,000	260,500	20,202	18,084	(2,118)	1.30	0.09	1.46
Nishat Mills Limited	197,500	50,000	-	171,800	75,700	7,113	6,024	(1,089)	0.43	0.02	0.48
									3.83	0.17	4.30
Rights certificates											
Food And Personal Care Products											
Unity Foods Limited *	-	-	25,354	-	25,354	-	27	27	-	0.01	-
									-	0.01	-
Total as at December 31, 2021						1,331,693	1,242,405	(89,288)	89.07		100.00
Total as at June 30, 2021						1,226,396	1,423,402	197,006	85.12		100.00

* Nil figures due to rounding off

- 6.1.1** All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which have a nominal value of Rs 3.5 each and Shabbir Tiles and Ceramics Limited, Nimir Resins Limited and Dynea Pakistan Limited which have a nominal value of Rs 5 each.
- 6.1.2** Investments include 40,000 shares (June 30, 2021: 60,000 shares) of Engro Corporation Limited and 100,000 shares (June 30, 2021: 100,000 shares) of Oil and Gas Development Company Limited having market value of Rs 10.897 million and Rs 8.620 million (June 30, 2021: Rs 17.676 million and Rs. 9.503 million) respectively as at December 31, 2021, which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.
- 6.1.3** The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the year ended June 30, 2020, the CISs had filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honourable High Court of Sindh had issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies.

As at December 31, 2021, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 1.551 million (June 30, 2021: Rs. 1.990 million).

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
		(Rupees in '000)	
Remuneration payable	7.1	284	137
Sindh Sales Tax payable on remuneration of the Management Company		37	18
Allocated expenses payable	7.2	129	152
Selling and marketing expenses payable	7.3	4,605	3,991
Sales load payable		56	182
Sindh Sales Tax payable on sales load		7	24
		<u>5,118</u>	<u>4,504</u>

- 7.1** As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1.5% (December 31, 2020: 1.5%) per annum of the average annual net assets of the Fund during the period ended December 31, 2021. The remuneration is payable to the Management Company monthly in arrears.

- 7.2** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged such expenses at the rate of 0.11% (December 31, 2020: 0.1%) of the average annual net assets of the Fund during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred.

- 7.3** In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the rate of 1% (December 31, 2020: 0.4%) per annum of the average annual net assets of the Fund during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred.

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31,	June 30,
		2021 (Unaudited)	2021 (Audited)
		(Rupees in '000)	
Auditors' remuneration payable		195	195
Brokerage payable		1,843	1,675
Shariah advisor fee payable		267	269
Charity payable		1,055	1,997
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	-	21,839
Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	8.2	482	482
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	145	145
Withholding tax payable		183	177
Capital gain tax payable		166	595
Zakat payable		-	46
		4,336	27,420

- 8.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution, the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 0.627 million is being retained in these condensed interim financial statements as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value per unit of the Fund as at December 31, 2021 would have been higher by Re 0.02 (June 30, 2021: Re 0.02) per unit.

9. CONTINGENCIES AND COMMITMENTS

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

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

Balances	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	284	137
Sindh Sales Tax payable on remuneration of the Management Company	37	18
Allocated expenses payable	129	152
Selling and marketing expenses payable	4,605	3,991
Sales load payable	56	182
Sindh Sales Tax payable on sales load	7	24
Meezan Bank Limited		
Sales load payable	2	43
Sindh Sales Tax on sales load payable	-	6
Bank balances	61,661	56,325
Profit receivable on savings account	51	84
Investment of 645,167 shares (June 30, 2021: 327,825 shares)	86,523	37,834
Shariah advisor fee payable	267	269



Central Depository Company of Pakistan Limited - Trustee

Remuneration payable
Sindh Sales Tax payable on remuneration of the Trustee
Security deposit

December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
196	213
25	28
100	100

Directors and Executives of the Management Company

Investment of 622,470 units (June 30, 2021: 991,743 units)

28,537	49,052
--------	--------

Unit holders holding 10% or more of units of the Fund

Investment of 3,520,814 units (June 30, 2021: 3,520,814 units)

161,411	174,140
---------	---------

**For the six months period
ended December 31,**

2021 2020

(Rupees in '000)

(Unaudited)

Transactions during the period

Al Meezan Investment Management Limited - Management Company

Remuneration of the Management Company
Sindh Sales Tax on remuneration of the Management Company
Allocated expenses
Selling and marketing expenses

11,672	11,229
1,517	1,460
856	749
7,781	2,994

Meezan Bank Limited

Profit on savings account
Shares purchased: 271,234 shares (December 31, 2020: 7,017 shares)
Shares sold: 25,000 shares (December 31, 2020: 24,000 shares)
Bonus shares received: 71,108 shares (December 31, 2020: 55,344 shares)
Dividend income

344	251
36,646	653
3,990	2,514
-	-
1,596	2,463

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee
Sindh Sales Tax on remuneration of the Trustee
CDS charges

1,282	1,253
167	163
85	31

Directors and Executives of the Management Company

Units issued: 570,362 units (December 31, 2020: 755,724 units)
Units redeemed: 939,635 units (December 31, 2020: 537,724 units)

27,128	31,953
46,721	22,275

11. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Fund has incurred net loss during the current period, therefore no provision for taxation has been made in these condensed interim financial statements.

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

12. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2021 based on current period results is 3.66% (December 31, 2020: 3.41%) which includes 0.28% (December 31, 2020: 0.69%) representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Asset Allocation Scheme'.

13. FAIR VALUE MEASUREMENT

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

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

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

13.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	1,242,405	-	-	1,242,405
	<u>1,242,405</u>	<u>-</u>	<u>-</u>	<u>1,242,405</u>
	----- (Rupees in '000) -----			
	As at June 30, 2021			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	1,423,402	-	-	1,423,402
	<u>1,423,402</u>	<u>-</u>	<u>-</u>	<u>1,423,402</u>

14. GENERAL

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

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

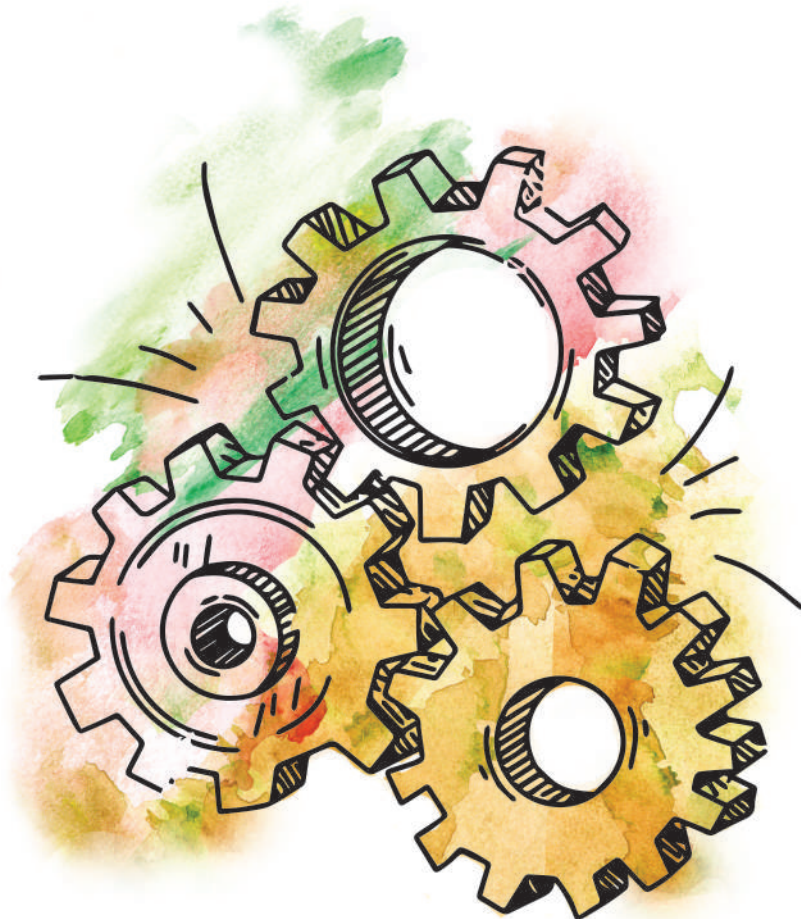


Al Meezan
Investment Management Ltd.

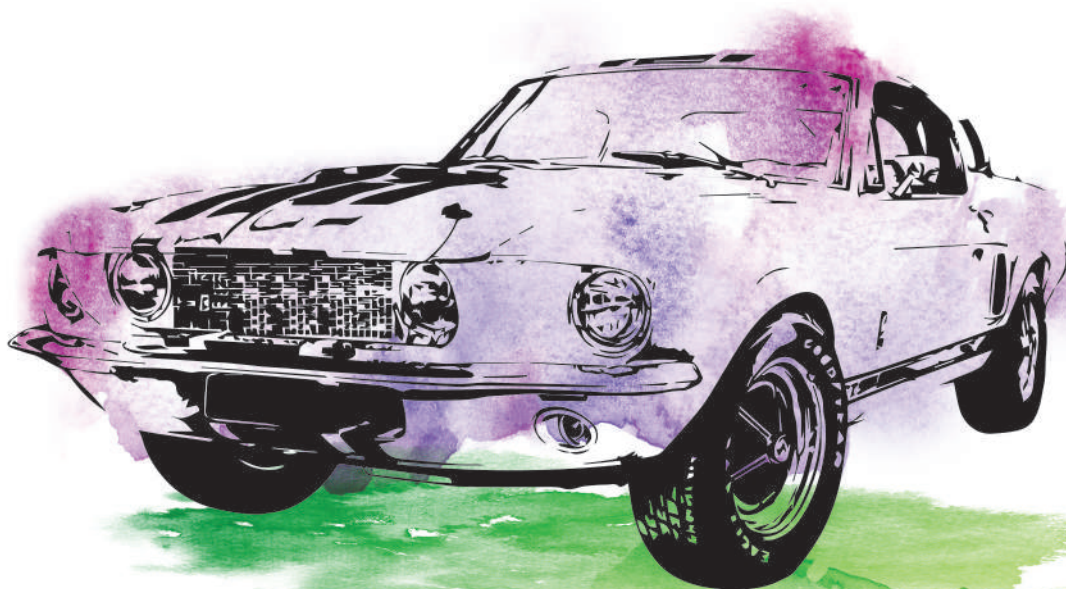
MEEZAN

DEDICATED EQUITY FUND (MDEF)

Meezan Dedicated Equity Fund aims to provide Fund of Funds scheme a dedicated equity platform to seek long term capital appreciation.



AUTOMOTIVE
INDUSTRY
HAS PUT PAKISTAN ON THE
FAST TRACK
AS GOVT POLICIES
PROMOTE COMPETITION



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director – PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (9221) 35156191-94 Fax: (9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN 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 Meezan Dedicated Equity Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Dedicated Equity Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi



**MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021**

		December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Assets			
Balances with banks	5	26,951	10,265
Investments	6	848,104	990,186
Receivable against sale of investments		3,471	2,485
Dividend receivable		55	3,639
Advances, prepayments and other receivables		2,970	17,859
Total assets		<u>881,551</u>	<u>1,024,434</u>
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	7	1,529	1,259
Payable to Central Depository Company of Pakistan Limited - Trustee		195	193
Payable to the Securities and Exchange Commission of Pakistan		94	177
Payable against purchase of investments		6,529	8
Accrued expenses and other liabilities	8	3,191	7,453
Total liabilities		<u>11,538</u>	<u>9,090</u>
Net assets		<u>870,013</u>	<u>1,015,344</u>
Contingencies and commitments	9		
Unit holders' fund (as per statement attached)		<u>870,013</u>	<u>1,015,344</u>
		(Number of units)	
Number of units in issue		<u>19,620,547</u>	<u>21,646,065</u>
		(Rupees)	
Net asset value per unit		<u>44.3419</u>	<u>46.9066</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31,		Quarter ended December 31,	
		2021	2020	2021	2020
		(Rupees in '000)		(Rupees in '000)	
Income					
Net realised (loss) / gain on sale of investments		(19,984)	24,892	(16,648)	12,546
Dividend income		29,608	18,505	17,028	14,103
Profit on savings accounts with banks		535	297	292	168
		<u>10,159</u>	<u>43,694</u>	<u>672</u>	<u>26,817</u>
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1	(51,378)	151,154	(1,611)	55,302
Total (loss) / income		<u>(41,219)</u>	<u>194,848</u>	<u>(939)</u>	<u>82,119</u>
Expenses					
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	9,439	8,007	4,457	4,240
Sindh Sales Tax on remuneration of the Management Company		1,227	1,041	579	551
Allocated expenses	7.2	519	400	245	212
Selling and marketing expenses	7.3	1,888	1,601	892	848
Remuneration of Central Depository Company of Pakistan Limited - Trustee		960	802	463	322
Sindh Sales Tax on remuneration of the Trustee		125	104	60	42
Annual fee to the Securities and Exchange Commission of Pakistan		94	80	44	42
Auditors' remuneration		235	125	132	72
Fees and subscription		288	281	147	144
Brokerage expenses		824	1,449	361	884
Bank and settlement charges		210	95	107	76
Charity expense		765	575	356	448
Legal and professional charges		184	-	-	-
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	8.1	(4,997)	3,606	-	1,485
Total expenses		<u>11,761</u>	<u>18,166</u>	<u>7,843</u>	<u>9,366</u>
Net (loss) / income for the period before taxation		<u>(52,980)</u>	<u>176,682</u>	<u>(8,782)</u>	<u>72,753</u>
Taxation	12	-	-	-	-
Net (loss) / income for the period after taxation		<u>(52,980)</u>	<u>176,682</u>	<u>(8,782)</u>	<u>72,753</u>
Allocation of net income for the period					
Net income for the period after taxation		-	176,682		
Income already paid on units redeemed		-	(21,109)		
		<u>-</u>	<u>155,573</u>		
Accounting income available for distribution					
- Relating to capital gains		-	155,573		
- Excluding capital gains		-	-		
		<u>-</u>	<u>155,573</u>		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021**

	Six months period ended December 31,		Quarter ended December 31,	
	2021	2020	2021	2020
	(Rupees in '000)		(Rupees in '000)	
Net (loss) / income for the period after taxation	(52,980)	176,682	(8,782)	72,753
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(52,980)</u>	<u>176,682</u>	<u>(8,782)</u>	<u>72,753</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total
	------(Rupees in '000)-----			------(Rupees in '000)-----		
Net assets at the beginning of the period	1,621,443	(606,099)	1,015,344	1,410,246	(791,231)	619,015
Issuance of 474,752 units (2020: 10,014,718 units)						
- Capital value (at net asset value per unit at the beginning of the period)	22,269	-	22,269	346,553	-	346,553
- Element of (loss) / income	(470)	-	(470)	54,548	-	54,548
Total proceeds on issuance of units	21,799	-	21,799	401,101	-	401,101
Redemption of 2,500,270 units (2020: 6,244,917 units)						
- Capital value (at net asset value per unit at the beginning of the period)	117,279	-	117,279	216,102	-	216,102
- Element of (income) / loss	(3,129)	-	(3,129)	11,108	21,109	32,217
Total payments on redemption of units	114,150	-	114,150	227,210	21,109	248,319
Total comprehensive (loss) / income for the period	-	(52,980)	(52,980)	-	176,682	176,682
Distribution during the period	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(52,980)	(52,980)	-	176,682	176,682
Net assets at the end of the period	<u>1,529,092</u>	<u>(659,079)</u>	<u>870,013</u>	<u>1,584,137</u>	<u>(635,658)</u>	<u>948,479</u>
Accumulated loss brought forward						
- Realised loss		(757,234)			(821,914)	
- Unrealised income		151,135			30,683	
		<u>(606,099)</u>			<u>(791,231)</u>	
Accounting income available for distribution						
- Relating to capital gains		-			155,573	
- Excluding capital gains		-			-	
					155,573	
Net loss for the period after taxation		(52,980)			-	
Accumulated loss carried forward		<u>(659,079)</u>			<u>(635,658)</u>	
Accumulated loss carried forward						
- Realised loss		(607,701)			(786,812)	
- Unrealised (loss) / income		(51,378)			151,154	
		<u>(659,079)</u>			<u>(635,658)</u>	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			<u>46.9066</u>			<u>34.6044</u>
Net asset value per unit at the end of the period			<u>44.3419</u>			<u>43.7932</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

Note	Six months period ended December 31,	
	2021	2020
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
	(52,980)	176,682
Adjustments for:		
	Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	
6.1	51,378	(151,154)
	(1,602)	25,528
Decrease / (increase) in assets		
	90,704	(185,613)
	3,584	(6,726)
	(986)	(7,960)
	14,889	(22)
	108,191	(200,321)
Increase / (decrease) in liabilities		
	270	(650)
	2	66
	(83)	(129)
	6,521	5,769
	(4,262)	4,121
	2,448	9,177
	109,037	(165,616)
Net cash generated from / (used in) operating activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
	21,799	401,101
	(114,150)	(248,355)
	(92,351)	152,746
Net cash (used in) / generated from financing activities		
	16,686	(12,870)
	10,265	22,127
Net increase / (decrease) in cash and cash equivalents during the period		
	10,265	22,127
	26,951	9,257
5	26,951	9,257
Cash and cash equivalents at the end of the period		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN DEDICATED EQUITY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Dedicated Equity Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed under the Trust Act, 1882 on October 9, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 18, 2017 under 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 Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 16, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund has been formed to enable the unit holders to participate in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund is an open-end Shariah Compliant Equity Scheme. Units 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 is listed on the Pakistan Stock Exchange.

1.4 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 27, 2021 (2020: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: 'AM1' dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 The 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

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Balances with banks in :			
Savings accounts	5.1	25,241	9,104
Current accounts		1,710	1,161
		26,951	10,265

5.1 This includes a balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.50% (June 30, 2021: 2.50%) per annum. Other savings accounts of the Fund have expected rates of profit ranging from 2.35% to 11.50% (June 30, 2021: 2.24% to 7.20%) per annum.

6. INVESTMENTS	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
At fair value through profit or loss			
Shares of listed companies - 'ordinary shares'	6.1	848,104	990,186

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2021	Purchased during the period	Bonus / right shares	Sold / exercised during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution) / appreciation as at December 31, 2021	Percentage in relation to		
									Net assets of the Fund	Paid up capital of investee company (with face value of investment)	Total market value of investments
----- Number of shares -----						----- (Rupees in '000) -----		----- % -----			
Automobile Assembler											
Gandhara Nissan Limited	-	60,000	-	60,000	-	-	-	-	-	-	-
Millat Tractors Limited	14,231	-	2,846	5,000	12,077	10,866	10,413	(453)	1.20	0.02	1.23
Pak Suzuki Motor Company Limited	33,000	-	-	33,000	-	-	-	-	-	-	-
									1.20	0.02	1.23
Automobile Parts and Accessories											
Panther Tyres Limited	11,328	125,000	27,265	140,000	23,593	1,434	985	(449)	0.11	0.01	0.12
									0.11	0.01	0.12
Commercial Banks											
BankIslami Pakistan Limited	307,000	305,000	-	-	612,000	7,417	7,840	423	0.90	0.06	0.92
Meezan Bank Limited (a related party of the Fund)	440,505	25,000	61,575	30,000	497,080	50,576	66,663	16,087	7.66	0.03	7.86
									8.56	0.09	8.78
Cement											
Cherat Cement Company Limited	141,100	30,000	-	106,100	65,000	10,824	9,640	(1,184)	1.11	0.03	1.14
D.G. Khan Cement Company Limited	244,252	185,000	-	230,599	198,653	17,333	16,476	(856)	1.89	0.05	1.94
Fauji Cement Company Limited	200,000	100,000	-	70,000	230,000	4,839	4,225	(614)	0.49	0.02	0.50
Kohat Cement Company Limited	162,270	-	-	2,600	159,670	32,970	30,114	(2,856)	3.46	0.08	3.55
Lucky Cement Limited	109,900	12,000	-	29,000	92,900	79,076	63,105	(15,971)	7.25	0.03	7.44
Maple Leaf Cement Factory Limited	665,000	435,000	-	366,000	734,000	29,526	26,387	(3,139)	3.03	0.07	3.11
									17.23	0.28	17.68
Chemical											
Dynea Pakistan Limited (note 6.1.1)	20,000	-	-	600	19,400	4,287	4,181	(107)	0.48	0.10	0.49
Engro Polymer and Chemicals Limited	346,144	168,500	-	90,000	424,644	20,863	23,020	2,157	2.65	0.05	2.71
ICI Pakistan Limited	24,350	-	-	8,650	15,700	13,640	11,945	(1,695)	1.37	0.02	1.41
Nimir Resins Limited (note 6.1.1)	7,500	-	-	7,500	-	-	-	-	-	-	-
Sitara Chemical Industries Limited	14,500	-	-	14,500	-	-	-	-	-	-	-
									4.50	0.17	4.61
Engineering											
Agha Steel Industries Limited	54,500	-	2,725	57,225	-	-	-	-	-	-	-
Aisha Steel Mills Limited	110,000	300,000	-	410,000	-	-	-	-	-	-	-
Amreli Steels Limited	-	250,000	-	-	250,000	11,708	11,190	(518)	1.29	0.08	1.32
International Industries Limited **	76,700	-	-	70,500	6,200	1,308	861	(448)	0.10	-	0.10
Ittefaq Iron Industries Limited	375,000	-	-	-	375,000	7,106	4,489	(2,618)	0.52	0.26	0.53
International Steels Limited	112,000	-	-	86,336	25,664	2,397	1,697	(700)	0.20	0.01	0.20
Mughal Iron and Steel Industries Limited	117,300	115,000	31,095	25,000	238,395	22,382	24,819	2,437	2.85	0.07	2.93
									4.96	0.42	5.08
Fertilizer											
Engro Corporation Limited (note 6.1.2)	147,534	-	-	10,000	137,534	40,519	37,467	(3,052)	4.31	0.02	4.42
Engro Fertilizers Limited	229,387	135,000	-	-	364,387	26,294	27,726	1,432	3.19	0.03	3.27
Fauji Fertilizer Bin Qasim Limited	-	455,500	-	-	455,500	11,669	11,287	(382)	1.30	0.04	1.33
									8.80	0.09	9.02
Food And Personal Care Products											
At-Tahur Limited	-	160,000	19,200	-	179,200	4,117	4,123	6	0.47	0.09	0.49
Unity Foods Limited	345,000	-	-	325,000	20,000	890	529	(361)	0.06	-	0.06
									0.53	0.09	0.55
Glass And Ceramics											
Shabbir Tiles & Ceramics Limited (note 6.1.1)	537,500	-	-	-	537,500	17,926	12,545	(5,380)	1.44	0.22	1.48
Ghani Glass Limited	97,650	-	-	97,650	-	-	-	-	-	-	-
									1.44	0.22	1.48
Leather & Tanneries											
Service GlobalFootwear Limited	46,113	-	-	5,000	41,113	2,378	1,906	(472)	0.22	0.02	0.22
									0.22	0.02	0.22
Miscellaneous											
Pakistan Aluminum Beverage Cans Limited	-	139,999	-	139,999	-	-	-	-	-	-	-
									-	-	-



Name of the investee company	As at July 1, 2021	Purchased during the period	Bonus / right shares	Sold / exercised during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution) / appreciation as at December 31, 2021	Percentage in relation to		
									Net assets of the Fund	Paid up capital of investee company (with face value of investment)	Total market value of investments
----- Number of shares -----						----- (Rupees in '000) -----		----- % -----			
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited	40,848	11,000	-	-	51,848	81,268	85,769	4,501	9.86	0.04	10.11
Oil & Gas Development Company Limited (note 6.1.2)	524,295	55,000	-	-	579,295	54,495	49,935	(4,560)	5.74	0.01	5.89
Pakistan Oilfields Limited	57,760	-	-	-	57,760	22,749	20,656	(2,093)	2.37	0.02	2.44
Pakistan Petroleum Limited	532,452	50,000	-	-	582,452	50,023	46,037	(3,986)	5.29	0.02	5.43
									23.26	0.09	23.87
Oil and Gas Marketing Companies											
Pakistan State Oil Company Limited (note 6.1.3)	197,971	11,991	-	60,890	149,072	32,756	27,115	(5,641)	3.12	0.03	3.20
Sui Northern Gas Pipelines Limited	361,735	100,000	-	100,000	361,735	17,870	12,100	(5,770)	1.39	0.06	1.43
									4.51	0.09	4.63
Paper & Board											
Century Paper and Board Mills Limited	110,000	-	16,500	-	126,500	13,428	10,006	(3,422)	1.15	0.06	1.18
Packages Limited	40,250	-	-	5,500	34,750	18,946	17,280	(1,666)	1.99	0.04	2.04
Roshan Packages Limited	106,500	-	-	50,000	56,500	1,861	1,107	(754)	0.13	0.04	0.13
Security Papers Limited	10,000	-	-	10,000	-	-	-	-	-	-	-
									3.27	0.14	3.35
Pharmaceuticals											
AGP Limited	95,000	-	-	95,000	-	-	-	-	-	-	-
Ferozsons Laboratories Limited **	120	-	-	-	120	42	39	(3)	-	-	-
GlaxoSmithKline Consumer Healthcare	9,200	-	-	-	9,200	2,301	2,218	(83)	0.25	0.01	0.26
IBL Healthcare Limited	103,000	-	16,600	20,000	99,600	9,224	6,982	(2,242)	0.80	0.15	0.82
The Searle Company Limited	88,732	-	20,121	26,660	82,193	15,340	11,813	(3,527)	1.36	0.03	1.39
									2.41	0.19	2.47
Power Generation & Distribution											
K-Electric Limited (note 6.1.1)	2,998,500	-	-	-	2,998,500	12,534	10,315	(2,219)	1.19	0.01	1.22
The Hub Power Company Limited	376,655	60,000	-	-	436,655	34,673	31,151	(3,522)	3.58	0.03	3.67
									4.77	0.04	4.89
Refinery											
Attock Refinery Limited	35,000	-	-	35,000	-	-	-	-	-	-	-
Energycio PK Limited (Formerly Byco Petroleum Pakistan Limited)	1,060,000	530,000	-	428,000	1,162,000	12,629	7,913	(4,716)	0.91	0.02	0.93
Pakistan Refinery Limited	-	135,000	-	135,000	-	-	-	-	-	-	-
									0.91	0.02	0.93
Technology & Communication											
Air Link Communication Limited	-	194,250	6,243	127,000	73,493	4,888	4,267	(621)	0.49	0.02	0.50
Avanceon Limited	196,080	50,000	-	221,080	25,000	2,103	2,278	175	0.26	0.01	0.27
Octopus Digital Limited	-	75,001	-	50,000	25,001	1,015	1,944	929	0.22	0.02	0.23
Systems Limited	58,870	-	-	8,000	50,870	28,498	38,653	10,155	4.44	0.04	4.56
Worldcall Telecom Limited	650,000	-	-	-	650,000	2,574	1,352	(1,222)	0.16	0.04	0.16
									5.57	0.13	5.72
Textile Composite											
Feroze1888 Mills Limited	43,300	2,598	-	-	45,898	4,534	3,355	(1,179)	0.39	0.01	0.40
Interloop Limited	310,882	-	9,326	-	320,208	21,771	23,276	1,505	2.68	0.04	2.74
Kohinoor Textile Mills Limited	90,000	36,500	-	-	126,500	9,746	8,782	(964)	1.01	0.04	1.04
Nishat Mills Limited	127,200	-	-	-	127,200	11,868	10,123	(1,745)	1.16	0.04	1.19
									5.24	0.13	5.37
Right certificates											
Textile Composite											
Feroze1888 Mills Limited *	-	-	2,598	2,598	-	-	-	-	-	-	-
									-	-	-
Food & Personal Care Products											
Unity Foods Limited **	-	-	4,023	-	4,023	-	4	4	-	-	-
									-	-	-
Total as at December 31, 2021						899,482	848,104	(51,378)	97.49		100.00
Total as at June 30, 2021						839,051	990,186	151,135	97.51		100.00

** Nil figures due to rounding off difference

- 6.1.1** All shares have a nominal value of Rs. 10 each except for the shares of K-Electric Limited which have a nominal value of Rs. 3.50 each and Dynea Pakistan Limited, Nimir Resins Limited and Shabbir Tiles & Ceramics Limited having a nominal value of Rs. 5 each.
- 6.1.2** Investments include 100,000 shares (June 30, 2021: 100,000 shares) of Engro Corporation Limited and 120,000 shares (June 30, 2021: 120,000 shares) of Oil and Gas Development Company Limited having market value of Rs. 27.242 million and Rs. 10.344 million (June 30, 2021: Rs. 29.461 million and Rs. 11.403 million) respectively as at December 31, 2021, which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.
- 6.1.3** The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the year ended June 30, 2020, the CISs had filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honourable High Court of Sindh had issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies.

As at December 31, 2021, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.296 million (June 30, 2021: Rs. 0.365 million).

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	December 31,	June 30,
		2021 (Unaudited)	2021 (Audited)
		(Rupees in '000)	
Remuneration payable	7.1	247	121
Sindh Sales Tax payable on remuneration of the Management Company		32	16
Allocated expenses payable	7.2	130	148
Selling and marketing expenses payable	7.3	1,120	974
		<u>1,529</u>	<u>1,259</u>

- 7.1** As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (December 31, 2020: 2%) per annum of the average annual net assets of the Fund during the period ended December 31, 2021. The remuneration is payable to the Management Company monthly in arrears.

- 7.2** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged such expenses at the rate of 0.11% (December 31, 2020: 0.1%) of the average annual net assets of the Fund during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred.

- 7.3** In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the rate of 0.4% (December 31, 2020: 0.4%) per annum of the average annual net assets of the Fund during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred.

	Note	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
(Rupees in '000)			
Auditors' remuneration payable		176	170
Withholding tax payable		110	81
Printing charges payable		69	69
Brokerage payable		1,014	683
Charity payable		1,554	1,189
Provision for Sindh Worker's Welfare Fund	8.1	-	4,997
Shariah advisor fee payable		268	264
		3,191	7,453

- 8.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

9. CONTINGENCIES AND COMMITMENTS

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

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

Balances	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	247	121
Sindh Sales Tax payable on remuneration of the Management Company	32	16
Selling and marketing expenses payable	1,120	974
Allocated expenses payable	130	148
Meezan Bank Limited		
Balances with bank	2,850	1,658
Profit receivable on savings account	5	6
Investment of 497,080 shares (June 30, 2021: 440,505 shares)	66,663	50,839
Shariah advisor fee payable	268	264
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	173	171
Sindh Sales Tax payable on remuneration of the Trustee	22	22
Security deposit	103	103
Meezan Financial Planning Fund of Funds - MAAP I		
Investment of 1,253,414 units (June 30, 2021: 1,253,414 units)	55,579	58,793
Meezan Strategic Allocation Fund - MSAP - I		
Investment of 3,313,498 units (June 30, 2021: 3,396,951 units)	146,927	159,339
Meezan Strategic Allocation Fund - MSAP - II		
Investment of 396,165 units (June 30, 2021: 396,165 units)	17,567	18,583
Meezan Strategic Allocation Fund - MSAP - III		
Investment of 3,295,552 units (June 30, 2021: 3,295,552 units)	146,131	154,583
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of 2,113,441 units (June 30, 2021: 2,371,642 units)	93,714	111,246
Meezan Strategic Allocation Fund - MSAP - V		
Investment of 898,076 units (June 30, 2021: 898,076 units)	39,822	42,126
Meezan Strategic Allocation Fund - MCPP-III		
Investment of 677,456 units (June 30, 2021: 1,066,314 units)	30,040	50,017
Meezan Strategic Allocation Fund II - MCPP-IV		
Investment of 6,491,784 units (June 30, 2021: 7,491,425 units)	287,858	351,397
Meezan Strategic Allocation Fund II - MCPP-V		
Investment of 191,419 units (June 30, 2021: 329,431 units)	8,488	15,452
Meezan Strategic Allocation Fund II - MCPP-VII		
Investment of 118,041 units (June 30, 2021: 181,851 units)	5,234	8,530
Meezan Strategic Allocation Fund III - MCPP-IX		
Investment of 871,701 units (June 30, 2021: 965,243 units)	38,653	45,276



**Six months period ended
December 31,**

Transactions during the period

Al Meezan Investment Management Limited - Management Company

	2021	2020
Remuneration of the Management Company	9,439	8,007
Sindh Sales Tax on remuneration of the Management Company	1,227	1,041
Allocated expenses	519	400
Selling and marketing expenses	1,888	1,601

Meezan Bank Limited

Profit on savings account	36	76
Shares purchased: 25,000 shares (December 31, 2020: 125,900 shares)	3,200	10,578
Shares sold: 30,000 shares (December 31, 2020: 20,000 shares)	4,726	1,987
Bonus shares received: 61,575 shares (December 31, 2020: 33,600 shares)	-	-
Shariah advisor fee	274	269
Dividend income	1,361	1,662

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	960	802
Sindh Sales Tax on remuneration of the Trustee	125	104
CDS charges	29	32

Meezan Financial Planning Fund of Funds - MAAP - I

Units redeemed: nil units (December 31, 2020: 207,677 units)	-	9,000
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Meezan Strategic Allocation Fund - MSAP - I

Units redeemed: 83,453 units (December 31, 2020: 1,909,091 units)	3,313	74,000
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Meezan Strategic Allocation Fund - MSAP - II

Units issued: nil units (December 31, 2020: 96,045 units)	-	4,000
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Meezan Strategic Allocation Fund - MSAP - IV

Units redeemed: 258,201 units (December 31, 2020: nil)	12,250	-
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Meezan Strategic Allocation Fund - MCPP - III

Units issued: 195,535 units (December 31, 2020: nil units)	9,000	-
Units redeemed: 584,393 units (December 31, 2020: nil units)	26,050	-

Meezan Strategic Allocation Fund II - MCPP - IV

Units issued: 86,412 units (December 31, 2020: 8,625,952 units)	4,000	344,550
Units redeemed: 1,086,053 units (December 31, 2020: 3,204,761 units)	50,000	128,786

Meezan Strategic Allocation Fund II - MCPP - V

Units issued: 82,941 units (December 31, 2020: 500,654 units)	3,800	21,350
Units redeemed: 220,953 units (December 31, 2020: 148,193 units)	9,800	6,035

Meezan Strategic Allocation Fund II - MCPP - VII

Units issued: 109,863 units (December 31, 2020: nil units)	5,000	-
Units redeemed: 173,673 units (December 31, 2020: nil units)	7,700	-

Meezan Strategic Allocation Fund III - MCPP - IX

Units issued: nil units (December 31, 2020: 792,067 units)	-	31,200
Units redeemed: 93,542 units (December 31, 2020: 755,196 units)	4,350	30,497

11. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2021 based on current period results is 3.55% (December 31, 2020: 4.09%) which includes 0.33% (December 31, 2020: 0.80%) representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Equity Scheme'.

12. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Fund has incurred net loss during the current period, therefore no provision for taxation has been made in these condensed interim financial statements.

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

13. FAIR VALUE MEASUREMENT

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

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

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

13.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

ASSETS	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	848,104	-	-	848,104
	<u>848,104</u>	<u>-</u>	<u>-</u>	<u>848,104</u>
ASSETS	As at June 30, 2021			
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	990,186	-	-	990,186
	<u>990,186</u>	<u>-</u>	<u>-</u>	<u>990,186</u>



14. GENERAL

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

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN GOLD FUND (MGF)

Meezan Gold Fund is Pakistan's first Shariah Compliant Gold Fund. It invests in gold instruments in the most efficient manner, to provide maximum exposure to prices of Gold in a Shariah Compliant (Islamic) manner. This is done by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on the Pakistan Mercantile Exchange (PMEX).



OUR ECONOMY
WAS LABELLED AS
"STABLE"
BY
MOODY'S ANALYTICS



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road, Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Bank Al Habib Limited- Islamic Banking
Faysal Bank Limited
Sindh Bank Limited
UBL Ameen - Islamic Banking
Dubai Islamic Bank Limited
Meezan Bank Limited

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195 E-
mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN GOLD 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 Meezan Gold Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Gold Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi

**MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021**



**Meezan
Gold Fund**

	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Assets		
Balances with banks	5 145,733	99,260
Investment in gold	6 456,833	396,272
Receivable against conversion of units	102	616
Advance and other receivables	<u>1,867</u>	<u>2,321</u>
Total assets	<u>604,535</u>	<u>498,469</u>
Liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	7 872	1,091
Payable to Central Depository Company of Pakistan Limited - Trustee	88	79
Payable to the Securities and Exchange Commission of Pakistan	52	101
Payable against conversion and redemption of units	8	18
Payable to Meezan Bank Limited	82	-
Accrued expenses and other liabilities	8 <u>2,264</u>	<u>9,650</u>
Total liabilities	<u>3,366</u>	<u>10,939</u>
Net assets	<u>601,169</u>	<u>487,530</u>
Contingencies and commitments	11	
Unit holders' fund (as per statement attached)	<u>601,169</u>	<u>487,530</u>
	(Number of units)	
Number of units in issue	<u>6,358,016</u>	<u>5,829,208</u>
	(Rupees)	
Net asset value per unit	<u>94.5529</u>	<u>83.6357</u>

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

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended, December 31,		Quarter ended, December 31,	
		2021	2020	2021	2020
		(Rupees in '000)		(Rupees in '000)	
Income					
Profit on saving accounts with banks		2,238	3,145	1,573	1,218
Price adjustment charges	10	3,298	1,096	2,166	431
		5,536	4,241	3,739	1,649
Unrealised appreciation on re-measurement of investment in gold	6.1	60,561	33,738	63,317	1,665
Total income		66,097	37,979	67,056	3,314
Expenses					
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	2,583	2,634	1,335	1,249
Sindh Sales Tax on remuneration of the Management Company		336	342	174	162
Allocated expenses	7.2	284	263	147	125
Selling and marketing expenses	7.3	1,033	1,053	534	499
Remuneration of Central Depository Company of Pakistan Limited - Trustee		439	448	227	213
Sindh Sales Tax on remuneration of the Trustee		57	58	29	27
Annual fee to the Securities and Exchange Commission of Pakistan		52	53	27	25
Auditors' remuneration		188	188	106	89
Legal and professional charges		184	-	-	-
Fees and subscription		190	208	81	96
Bank and settlement charges		7	-	1	-
Custodian expense		2,107	2,144	1,098	1,059
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	8.1	(5,067)	612	-	111
Total expenses		2,393	8,003	3,759	3,655
Net income / (loss) for the period before taxation		63,704	29,976	63,297	(341)
Taxation	13	-	-	-	-
Net income / (loss) for the period after taxation		63,704	29,976	63,297	(341)
Allocation of net income for the period					
Net income for the period after taxation		63,704	29,976		
Income already paid on units redeemed		(3,348)	(6,631)		
		60,356	23,345		
Accounting income available for distribution					
- Relating to capital gains		60,356	23,345		
- Excluding capital gains		-	-		
		60,356	23,345		

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021**



**Meezan
Gold Fund**

	Six months period December 31,		Quarter ended, December 31,	
	2021	2020	2021	2020
	(Rupees in '000)		(Rupees in '000)	
Net income / (loss) for the period after taxation	63,704	29,976	63,297	(341)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>63,704</u>	<u>29,976</u>	<u>63,297</u>	<u>(341)</u>

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

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	------(Rupees in '000)-----			------(Rupees in '000)-----		
Net assets at the beginning of the period	367,432	120,098	487,530	429,142	118,804	547,946
Issue of 2,124,043 (December 31, 2020: nil units)						
- Capital value (at net asset value per unit at the beginning of the period)	177,646	-	177,646	-	-	-
- Element of income	13,082	-	13,082	-	-	-
Total proceeds on issuance of units	190,728	-	190,728	-	-	-
Redemption of 1,595,235 (December 31, 2020: 1,231,317 units)						
- Capital value (at net asset value per unit at the beginning of the period)	133,419	-	133,419	103,660	-	103,660
- Element of loss	4,026	3,348	7,374	-	6,631	6,631
Total payments on redemption of units	137,445	3,348	140,793	103,660	6,631	110,291
Total comprehensive income for the period	-	63,704	63,704	-	29,976	29,976
Distribution during the period	-	-	-	-	-	-
Net income for the period less distribution	-	63,704	63,704	-	29,976	29,976
Net assets at the end of the period	420,715	180,454	601,169	325,482	142,149	467,631
Undistributed income brought forward						
- Realised income		114,051			40,133	
- Unrealised income		6,047			78,671	
		<u>120,098</u>			<u>118,804</u>	
Accounting income available for distribution						
- Relating to capital gains		60,356			23,345	
- Excluding capital gains		-			-	
		<u>60,356</u>			<u>23,345</u>	
Undistributed income carried forward		<u><u>180,454</u></u>			<u><u>142,149</u></u>	
Undistributed income carried forward						
- Realised income		119,893			108,411	
- Unrealised income		60,561			33,738	
		<u>180,454</u>			<u>142,149</u>	
		<u><u>180,454</u></u>			<u><u>142,149</u></u>	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the period		<u>83.6357</u>			<u>84.1829</u>	
Net asset value per unit at the end of the period		<u><u>94.5529</u></u>			<u><u>88.6055</u></u>	

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021



Meezan
Gold Fund

	Six months period ended, December 31,	
	2021	2020
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	63,704	29,976
Adjustments for:		
Unrealised appreciation on re-measurement of investment in gold	6.1 <u>(60,561)</u>	<u>(33,738)</u>
	3,143	(3,762)
Decrease in assets		
Advance and other receivables	454	1,110
(Decrease) / increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	(219)	(430)
Payable to Central Depository Company of Pakistan Limited - Trustee	9	(23)
Payable to the Securities and Exchange Commission of Pakistan	(49)	(46)
Payable to Meezan Bank Limited	82	-
Accrued expenses and other liabilities	<u>(7,386)</u>	<u>2,552</u>
	(7,563)	2,053
Net cash used in operating activities	<u>(3,966)</u>	<u>(599)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	<u>191,242</u>	<u>397</u>
Payment against conversion and redemption of units	<u>(140,803)</u>	<u>(110,051)</u>
Net cash generated from / (used in) financing activities	50,439	(109,654)
Net increase / (decrease) in cash and cash equivalents during the period	<u>46,473</u>	<u>(110,253)</u>
Cash and cash equivalents at the beginning of the period	99,260	157,431
Cash and cash equivalents at the end of the period	5 <u><u>145,733</u></u>	<u><u>47,178</u></u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Gold Fund is an open ended mutual fund constituted under a Trust Deed executed under the Trust Act, 1882 entered into on October 15, 2014 between Al Meezan Investment Management Company as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The Fund commenced its operations from August 18, 2015. The registered office of the Management Company is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shariah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Consequently, the Fund is now required to be registered under the Sindh Trust Act. Accordingly, on September 3, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund is an open-ended Shariah Compliant (Islamic) Commodity Fund that aims to provide maximum exposure to prices of Gold in a Shariah Compliant (Islamic) manner by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on Pakistan Mercantile Exchange Limited (PMEX). Furthermore, all investments of the Fund's property are in accordance with the Shariah as advised by the Shariah Advisor. The investments in Gold contracts listed at the Commodity Exchange are subject to the PMEX Regulations. The Management Company has appointed Meezan Bank Limited as its Shariah advisor to ensure that the activities of the fund are in compliance with the principles of Shariah. The investment objectives and policies are more fully explained in the Fund's Offering document.

1.3 The Fund has been categorised as a Shariah compliant Commodity Scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs 50 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from August 13, 2015 and are transferable and redeemable by surrendering them to the Fund.

1.4 The Management Company has been assigned a Asset Manager Quality rating of AM1 by VIS Credit Rating Company Limited dated December 27, 2021 (2020: AM1 dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: AM1 dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund. The fund is listed on Pakistan Stock Exchange Limited.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgements made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	December 31,	June 30,
		2021	2021
		(Unaudited)	(Audited)
		(Rupees in '000)	
In savings accounts	5.1	145,733	99,166
In current accounts		-	94
		<u>145,733</u>	<u>99,260</u>

5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.5% (June 30, 2021: 2.5%) per annum. Other balance in savings account have expected profit rates ranging from 1.50% to 10.75% (June 30, 2021: 1.50% to 7.00%) per annum.

6. INVESTMENTS	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Investment in gold	6.1	<u>456,833</u>	<u>396,272</u>

6.1 Investment in gold

Commodity	As at July 1, 2021	Purchases during the period	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation as at December 31, 2021	Percentage in relation to Net assets of the Fund
	----- (Tola) -----				----- (Rupees in '000) -----			--- (%) ---
TOLAGOLD	3,675	-	-	3,675	394,662	454,977	60,315	75.68%
MITOLA	15,000	-	-	15,000	1,610	1,856	246	0.31%
Total as at December 31, 2021					<u>396,272</u>	<u>456,833</u>	<u>60,561</u>	
Total as at June 30, 2021					<u>390,225</u>	<u>396,272</u>	<u>6,047</u>	

6.1.1 The Pakistan Mercantile Exchange Limited (PMEX) delivers refined Gold in 10 TOLA Bars. These are physically held by PMEX under their custody in the vaults of a commercial bank.

6.1.2 The investment in gold of Rs 456.833 million (June 30, 2021: Rs 396.272 million) has been measured at fair value based on the quoted market price in active markets.

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY		December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Management fee payable	7.1	77	409
Sindh Sales Tax on remuneration of the Management Company		10	53
Allocated expenses payable	7.2	50	45
Selling and marketing expenses payable	7.3	649	486
Sales load payable		76	87
Sindh Sales Tax on sales load payable		10	11
		<u>872</u>	<u>1,091</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2020: 1%) per annum of the average net assets of the Fund during the period ended December 31, 2021. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged allocated expenses at the rate of 0.11% (2020: 0.10%) per annum of the average annual net assets of the scheme subject to the total expense charged being lower than actual expense incurred.

7.3 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan.

Accordingly, the Management Company has charged selling and marketing expenses based on its discretion while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008 at the rate of 0.4% (2020: 0.4%) per annum of average annual net assets of the Fund subject to the total expense charged being lower than actual expense incurred.



**December 31,
2021
(Unaudited)
(Rupees in '000)**

**June 30,
2021
(Audited)**

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Auditor's remuneration payable		163	175
Custodian fee payable		999	3,316
Provision for Sindh Worker's Welfare Fund (SWWF)	8.1	-	5,067
Withholding tax payable		-	31
Capital gain tax payable		219	189
Shariah advisory fee payable		162	161
Zakat Payable		10	-
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	8.2	414	414
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	297	297
		<u>2,264</u>	<u>9,650</u>

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in the financial statements of the Fund.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 0.711 million is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.11 (June 30, 2021: Re 0.12) per unit.

9. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 2.89% (2020: 2.92%) which includes 0.17% (2020: 0.3%) representing levies such as Sales taxes, annual fee to the SECP, etc. The ratio is within the maximum limit of 3% prescribed under NBFC Regulations for a collective investment scheme categorised as a commodity scheme.

10. PRICE ADJUSTMENT CHARGES

Securities and Exchange Commission of Pakistan (SECP) vide Circular no.40 SCD/AMCW/ MGF/63/2017 dated June 14, 2017, allowed the fund to charge price adjustment charges. Price adjustment charge is a difference between the offer price and the bid price from the closing price of the Gold transactions (contract) available at PMEX, which is added to and deducted from the NAV to determine Offer and Redemption prices respectively. Such charges form part of Fund Property.

Currently, price adjustment charges added / deducted to form NAV of the fund to determine offer / redemption price is 1% of NAV.

11. CONTINGENCIES AND COMMITMENTS

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

12. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

Details of transactions with connected persons and balances with them are as follows:

Balances	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Management fee payable	77	409
Sindh Sales Tax on management fee payable	10	53
Sales load payable	76	87
Sindh Sales Tax on sales load payable	10	11
Selling and marketing expenses payable	649	486
Allocated expenses payable	50	45
Meezan Bank Limited		
Bank balance	63,768	94,281
Profit receivable on saving account	18	171
Investment of 1,084,115 units (June 30, 2021: 1,084,712 units)	102,506	90,721
Sales load payable	73	-
Sindh Sales Tax on sales load payable	9	-
Shariah advisor fee payable	162	161



Balances

Central Depository Company of Pakistan Limited - Trustee

Trustee fee payable
Sindh Sales Tax on trustee fee payable

Directors and Executives of the Management Company

Investment of 500,519 units (June 30, 2021: 533,642 units)

Transactions during the period

Al Meezan Investment Management Limited - the Management Company

Remuneration of Al Meezan Investment Management Limited

- Management Company
Sindh Sales Tax on management fee for the period
Allocated expenses
Selling and marketing expense

Meezan Bank Limited

Profit on saving account
Shariah advisor fee
Units redeemed: 597 units (2020: nil units)

Central Depository Company of Pakistan Limited - the Trustee

Remuneration for the period
Sindh Sales Tax on trustee fee for the period

Directors and Executives of the Management Company

Units issued: 17,729 units (2020: nil units)
Units redeemed: 53,346 units (2020: 164 units)

	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited) (Rupees in '000)
	78	70
	10	9
	<u>47,326</u>	<u>44,632</u>
	Six months period ended, December 31,	
	2021	2020
	(Unaudited) (Rupees in '000)	
	2,583	2,634
	336	342
	284	263
	1,033	1,053
	716	75
	162	189
	50	-
	439	448
	57	58
	1,547	-
	4,477	14

13. TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

14. FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following assets measured at fair value:

As at December 31, 2021			
Level 1	Level 2	Level 3	Total
(Rupees in '000)			
ASSETS			
Investment in gold	456,833	-	456,833
As at June 30, 2021			
Level 1	Level 2	Level 3	Total
(Rupees in '000)			
ASSETS			
Investment in gold	396,272	-	396,272

15. GENERAL

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

16. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN

ISLAMIC INCOME FUND (MIIF)

Meezan Islamic Income Fund is Pakistan's first Shariah Compliant income fund scheme. The purpose of Meezan Islamic Income Fund is to provide investors with a high and stable rate of current income consistent with long term preservation of capital in a Shariah Compliant way. A secondary objective is to take advantage of opportunities to realize capital appreciation.



ISLAMIC BANKING ASSETS EXPANDED BY

408

BILLION

BRINGING
THE TOTAL ASSETS TO
4.8 TRILLION

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director – PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited	MCB Bank Limited
Al Baraka Islamic Bank B.S.C (E.C)	MCB Islamic Bank Limited
Askari Bank Limited - Islamic Banking	Meezan Bank Limited
Bank Al Habib Limited - Islamic Banking	National Bank of Pakistan - Islamic Banking
Bank Alfalah Limited	Samba Bank Limited
Bank Islami Pakistan Limited	Sindh Bank Limited
Dubai Islamic Bank Pakistan Limited	Soneri Bank Limited - Islamic Banking
Faysal Bank Limited - Islamic Banking	The Bank Of Punjab - Islamic Banking
Habib Bank Limited -Islamic Banking	The Bank Of Khyber - Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking	UBL Ameen - Islamic Banking

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN ISLAMIC 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 Meezan Islamic Income Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Islamic Income Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi



**MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021**

		December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Assets			
Balances with banks	5	7,599,652	12,514,171
Investments	6	17,746,531	15,889,474
Receivable against conversion of units		38,933	18,133
Receivable against sale of investments		-	506
Advance, deposits, prepayments and other receivables		241,396	256,318
Total assets		<u>25,626,512</u>	<u>28,678,602</u>
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	42,679	35,570
Payable to Central Depository Company of Pakistan Limited - Trustee		1,987	2,460
Payable to the Securities and Exchange Commission of Pakistan		3,003	6,965
Payable to Meezan Bank Limited		1,184	2,424
Payable against redemption and conversion of units		61,771	952,543
Dividend payable		-	36,220
Accrued expenses and other liabilities	8	74,189	396,245
Total liabilities		<u>184,813</u>	<u>1,432,427</u>
Net assets		<u>25,441,699</u>	<u>27,246,175</u>
Unit holders' fund (as per statement attached)		<u>25,441,699</u>	<u>27,246,175</u>
Contingencies and commitments	9		
		(Number of units)	
Number of units in issue		<u>476,438,406</u>	<u>529,323,430</u>
		(Rupees)	
Net asset value per unit		<u>53.3998</u>	<u>51.4736</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended		Quarter ended	
		December 31,		December 31,	
		2021	2020	2021	2020
		(Rupees in '000)		(Rupees in '000)	
Income					
Profit on sukuk certificates and commercial papers		758,301	650,788	422,940	307,402
Profit on term deposit receipts		-	46,523	-	43,263
Profit on certificates of musharakah		45,165	59,699	22,374	29,618
Profit on Bai Muajjal		-	156,696	-	54,279
Profit on savings accounts with banks		380,471	398,403	174,311	236,234
Net realised (loss) / gain on sale of investments		(39,445)	7,091	(40,180)	691
Other income		283	201	187	113
		<u>1,144,775</u>	<u>1,319,401</u>	<u>579,632</u>	<u>671,600</u>
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1 & 6.1.2	41,098	65,614	(15,251)	17,341
Total income		<u>1,185,873</u>	<u>1,385,015</u>	<u>564,381</u>	<u>688,941</u>
Expenses					
Remuneration of Al Meezan Investment Management Limited - Management Company	7.1	75,068	83,783	37,441	44,853
Sindh Sales Tax on remuneration of the Management Company		9,759	10,892	4,868	5,831
Allocated expenses	7.2	22,521	25,135	11,233	13,456
Selling and marketing expenses	7.3	52,525	67,026	29,953	35,882
Remuneration of Central Depository Company of Pakistan Limited - Trustee		11,246	12,567	5,616	6,728
Sindh Sales Tax on remuneration of the Trustee		1,462	1,634	730	875
Annual fee to the Securities and Exchange Commission of Pakistan		3,003	3,351	1,498	1,794
Auditors' remuneration		420	398	189	169
Fees and subscription		711	706	357	353
Legal and professional charges		184	-	-	-
Brokerage expense		623	820	411	266
Bank and settlement charges		1,658	1,629	709	90
Provision against sukuk certificates (Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	6.1.2.5 & 8.1	45,000	-	-	-
		(130,733)	23,541	-	11,573
Total expenses		<u>93,447</u>	<u>231,482</u>	<u>93,005</u>	<u>121,870</u>
Net income for the period before taxation		<u>1,092,426</u>	<u>1,153,533</u>	<u>471,376</u>	<u>567,071</u>
Taxation	12	-	-	-	-
Net income for the period after taxation		<u>1,092,426</u>	<u>1,153,533</u>	<u>471,376</u>	<u>567,071</u>
Allocation of net income for the period					
Net income for the period after taxation		1,092,426	1,153,533		
Income already paid on units redeemed		(318,387)	(266,162)		
		<u>774,039</u>	<u>887,371</u>		
Accounting income available for distribution					
- Relating to capital gains		1,653	72,705		
- Excluding capital gains		772,386	814,666		
		<u>774,039</u>	<u>887,371</u>		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	<u>Six months period ended</u> <u>December 31,</u>		<u>Quarter ended,</u> <u>December 31,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>(Rupees in '000)</u>		<u>(Rupees in '000)</u>	
Net income for the period after taxation	1,092,426	1,153,533	471,376	567,071
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>1,092,426</u>	<u>1,153,533</u>	<u>471,376</u>	<u>567,071</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	27,004,995	241,180	27,246,175	27,541,424	234,941	27,776,365
Issuance of 379,656,490 units (2020: 641,419,040 units)						
- Capital value (at net asset value per unit at the beginning of the period)	19,542,286	-	19,542,286	33,011,016	-	33,011,016
- Element of income	294,565	-	294,565	584,126	-	584,126
Total proceeds on issuance of units	19,836,851	-	19,836,851	33,595,142	-	33,595,142
Redemption of 432,541,514 units (2020: 521,654,832 units)						
- Capital value (at net asset value per unit at the beginning of the period)	22,264,469	-	22,264,469	26,847,279	-	26,847,279
- Element of loss	150,897	318,387	469,284	270,277	266,162	536,439
Total payments on redemption of units	22,415,366	318,387	22,733,753	27,117,556	266,162	27,383,718
Total comprehensive income for the period	-	1,092,426	1,092,426	-	1,153,533	1,153,533
Distribution during the period	-	-	-	-	-	-
		1,092,426	1,092,426		1,153,533	1,153,533
Net assets at the end of the period	24,426,480	1,015,219	25,441,699	34,019,010	1,122,312	35,141,322
Undistributed income brought forward						
- Realised income		148,151			217,183	
- Unrealised income		93,029			17,758	
		<u>241,180</u>			<u>234,941</u>	
Accounting income available for distribution						
- Relating to capital gains		1,653			72,705	
- Excluding capital gains		772,386			814,666	
		<u>774,039</u>			<u>887,371</u>	
Undistributed income carried forward		<u>1,015,219</u>			<u>1,122,312</u>	
Undistributed income carried forward						
- Realised income		974,121			1,056,698	
- Unrealised income		41,098			65,614	
		<u>1,015,219</u>			<u>1,122,312</u>	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			<u>51.4736</u>			<u>51.4656</u>
Net asset value per unit at the end of the period			<u>53.3998</u>			<u>53.2871</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

	Six months period ended December 31,	
	2021	2020
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	1,092,426	1,153,533
Adjustments for:		
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1 & 6.1.2 (41,098)	(65,614)
	<u>1,051,328</u>	<u>1,087,919</u>
(Increase) / decrease in assets		
Investments - net	(1,815,959)	2,665,213
Receivable against sale of investments	506	-
Advance, deposits, prepayments and other receivables	14,922	(1,703)
	<u>(1,800,531)</u>	<u>2,663,510</u>
Increase / (decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	7,109	10,139
Payable to Central Depository Company of Pakistan Limited - Trustee	(473)	577
Payable to the Securities and Exchange Commission of Pakistan	(3,962)	(913)
Payable to Meezan Bank Limited	(1,240)	(1,796)
Accrued expenses and other liabilities	(322,056)	(170,952)
	<u>(320,622)</u>	<u>(162,945)</u>
Net cash (used in) / generated from operating activities	<u>(1,069,825)</u>	<u>3,588,484</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	19,816,051	33,988,733
Payments against redemption and conversion of units	(23,624,525)	(27,422,055)
Dividend paid	(36,220)	-
Net cash (used in) / generated from financing activities	<u>(3,844,694)</u>	<u>6,566,678</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(4,914,519)</u>	<u>10,155,162</u>
Cash and cash equivalents at the beginning of the period	12,514,171	6,857,317
Cash and cash equivalents at the end of the period	<u><u>7,599,652</u></u>	<u><u>17,012,479</u></u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Islamic Income Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed under the Trust Act, 1882 on September 13, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 21, 2008 under 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) notified through S.R.O. 1203 (I) / 2008. The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 16, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund has been formed to provide the unit holders competitive and stable rate of income on their investments in a Shariah compliant way with a broadly diversified portfolio of long, medium and short term and high quality Islamic income instruments. The Fund shall also keep an exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point of time. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah principles. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund 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. The Fund is categorised as an Open End Shariah Compliant (Islamic) Income Scheme in accordance with Circular 7 of 2009 issued by the SECP.

1.4 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 27, 2021 (2020: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: 'AM1' dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of A+(f) by VIS Credit Rating Company Limited dated December 27, 2021 (2020: A+(f) dated January 12, 2021).

1.5 The 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

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of repealed Companies Ordinance, 1984; and

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

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IAS 34, 'Interim Financial Reporting' the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Balances with banks in:			
Savings accounts	5.1	7,599,618	12,514,127
Current accounts		34	44
		<u>7,599,652</u>	<u>12,514,171</u>

5.1 This includes balances maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.50% (June 30, 2021: 2.50%) per annum. Other savings accounts of the Fund have expected rates of profit ranging from 1.50% to 11.50% (June 30, 2021: 1.50% to 7.32%) per annum.

	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
6. INVESTMENTS			
Investments - 'at fair value through profit or loss'			
Sukuk certificates	6.1	15,844,946	14,341,463
Certificates of musharakah	6.2	600,000	1,200,000
Commercial papers	6.3	1,301,585	348,011
		<u>17,746,531</u>	<u>15,889,474</u>
6.1 Sukuk certificates			
Government securities	6.1.1	11,951,635	9,816,183
Corporate sukuk certificates	6.1.2	3,893,311	4,525,280
		<u>15,844,946</u>	<u>14,341,463</u>

6.1.1 Government securities

Name of the security	Profit payments / principal redemptions	Issue date	Maturity date	Profit rate	As at July 1, 2021	Purchased during the period	Sold during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution)/ appreciation as at December 31, 2021	Percentage in relation to	
												Net assets of the Fund	Total market value of investment
					----- Number of certificates -----			----- (Rupees in '000) -----			----- % -----		
GoP Ijarah Sukuk Certificates - XIX - VRR	Semi-annually / At maturity	May 29, 2020	May 29, 2025	Weighted average 6 months T-Bills	2,000	-	-	2,000	201,260	200,360	(900)	0.79	1.13
GoP Ijarah Sukuk Certificates - XX - VRR	Semi-annually / At maturity	June 24, 2020	June 24, 2025	Weighted average 6 months T-Bills	2,340	-	-	2,340	235,404	234,421	(983)	0.92	1.32
GoP Ijarah Sukuk Certificates - XXII - VRR	Semi-annually / At maturity	December 9, 2025	December 9, 2025	Weighted average 6 months T-Bills	15,360	20,000	10,500	24,860	2,508,660	2,490,475	(18,185)	9.79	14.03
GoP Ijarah Sukuk Certificates - XXIII - VRR	Semi-annually / At maturity	October 6, 2021	October 6, 2026	Weighted average 6 months T-Bills	-	30,000	29,000	1,000	100,000	99,130	(870)	0.39	0.56
GoP Ijarah Sukuk Certificates - XXIV - VRR	Semi-annually / At maturity	October 29, 2021	October 29, 2026	Weighted average 6 months T-Bills	-	13,000	2,500	10,500	1,050,355	1,043,490	(6,865)	4.10	5.88
Pakistan Energy Sukuk II	Semi-annually / At maturity	May 21, 2020	May 21, 2030	6 months KIBOR minus base rate of 0.10%	1,553,450	-	-	1,553,450	7,829,388	7,883,759	54,371	30.99	44.42
Total as at December 31, 2021									<u>11,925,067</u>	<u>11,951,635</u>	<u>26,568</u>	<u>46.98</u>	<u>67.34</u>
Total as at June 30, 2021									<u>9,747,172</u>	<u>9,816,183</u>	<u>69,011</u>	<u>36.03</u>	<u>61.78</u>

6.1.1.1 The nominal value of these sukuk certificates is Rs 100,000 each except for Pakistan Energy sukuk certificates having nominal value of Rs. 5,000 each.

6.1.2 Corporate sukuk certificates

Name of the security	Profit payments / principal redemptions	Maturity date	Face value per certificate (Rupees)	Profit rate	As at July 1, 2021	Purchased during the period	Sold during the period	As at December 31, 2021	Carrying value as at December 31, 2021 *	Market value as at December 31, 2021 *	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to		
												Net assets of the Fund	Total issue (with face value of investment)	Total market value of investments
					---- (Number of certificates) ----			----- (Rupees in '000) -----			----- % -----			
NON-PERFORMING ASSETS														
Arzoo Textile Mills Limited (note 6.1.2.1) *	Not applicable	April 15, 2014	5,000	Not applicable	14,000	-	-	14,000	-	-	-	-	-	-
Eden Housing Limited (note 6.1.2.1) *	Not applicable	September 29, 2014	984	Not applicable	59,400	-	-	59,400	-	-	-	-	-	-
Security Leasing Corporation Limited II (note 6.1.2.1) *	Not applicable	January 19, 2022	1,540	Not applicable	10,000	-	-	10,000	-	-	-	-	-	-
Hascol Petroleum Limited (note 6.1.2.1 & 6.1.2.2) *	Not applicable	January 06, 2022	1,250	Not applicable	80,000	-	-	80,000	-	-	-	-	-	-
COMMERCIAL BANKS														
Dubai Islamic Bank Pakistan Limited (AA-, VIS, non-traded)	Semi-annually / At maturity	July 14, 2027	1,000,000	6 months KIBOR plus base rate of 0.50%	538	-	-	538	553,046	556,023	2,977	2.19	13.45	3.13
Meezan Bank Limited Tier - II (AA+, VIS, non-traded) (a related party of the Fund)	Semi-annually / At maturity	September 22, 2026	1,000,000	6 months KIBOR plus base rate of 0.50%	298	-	298	-	-	-	-	-	-	-
FERTILIZER														
Fatima Fertilizer Company Limited (AA-, PACRA, non-traded)	Semi-annually	November 28, 2021	500	6 months KIBOR plus base rate of 1.10%	200,666	-	200,666	-	-	-	-	-	-	-
POWER GENERATION & DISTRIBUTION														
K-Electric Limited Sukuk V (AA+, VIS, traded)	Quarterly / Quarterly commencing from November 3, 2022	August 3, 2027	5,000	3 months KIBOR plus base rate of 1.70%	184,600	-	31,400	153,200	777,873	781,320	3,447	3.07	3.06	4.40
The Hub Power Company Limited (AA+, PACRA, traded)	Quarterly / Semi-annually commencing from February 22, 2022	August 22, 2023	100,000	3 months KIBOR plus base rate of 1.90%	2,455	-	-	2,455	250,397	254,374	3,977	1.00	3.51	1.43
The Hub Power Company Limited (AA+, PACRA, traded)	Quarterly / Semi-annually commencing from September 19, 2022	March 19, 2024	100,000	12 months KIBOR plus base rate of 1.90%	6,550	-	2,000	4,550	465,920	466,375	455	1.83	9.10	2.63
Hub Power Holdings Limited (AA+, PACRA) (note 6.1.2.4)	Quarterly / Semi-annually commencing from May 12, 2024	November 12, 2025	100,000	6 months KIBOR plus base rate of 2.50%	6,000	-	-	6,000	556,743	556,743	-	2.19	10.00	3.14
Engro Powergen Thar (Private) Limited (A, PACRA, non-traded) (note 6.1.2.3)	Quarterly / Annually commencing from August 2, 2022	August 2, 2024	5,000	3 months KIBOR plus base rate of 1.10%	62,400	-	-	62,400	312,000	317,492	5,492	1.25	10.40	1.79
PHARMACEUTICALS														
AGP Limited (A+, PACRA, non-traded)	Quarterly	June 9, 2022	10,000	3 months KIBOR plus base rate of 1.30%	1,624	992	-	2,616	26,349	26,365	16	0.10	10.69	0.15
OBS AGP (Private) Limited (A+, VIS) (note 6.1.2.4)	Quarterly / Quarterly commencing from October 15, 2022	July 15, 2026	100,000	3 months KIBOR plus base rate of 1.55%	-	3,900	-	3,900	390,000	390,000	-	1.53	15.00	2.20

Name of the security	Profit payments / principal redemptions	Maturity date	Face value per certificate (Rupees)	Profit rate	As at July 1, 2021	Purchased during the period	Sold during the period	As at December 31, 2021	Carrying value as at December 31, 2021 *	Market value as at December 31, 2021 *	Unrealised appreciation / (diminution)	Percentage in relation to		
												Net assets of the Fund	Total issue (with face value of investment)	Total market value of investments
					---- (Number of certificates) ----			----- (Rupees in '000) -----			----- % -----			

CEMENT & CONSTRUCTION

Javedan Corporation Limited (AA-, VIS, non-traded)	Semi-annually	October 4, 2026	83,333	6 months KIBOR plus base rate of 1.75%	1,000	-	200	800	66,000	65,486	(514)	0.26	2.67	0.37
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STEEL & ALLIED PRODUCTS

Agha Steel Industries Limited (A+, VIS, non-traded)	Quarterly / Quarterly commencing from January 9, 2022	October 9, 2025	1,000,000	3 months KIBOR plus base rate of 0.80%	250	-	68	182	181,606	180,083	(1,523)	0.71	3.64	1.01
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CHEMICALS

Engro Polymer and Chemicals Limited (AA, PACRA, non-traded) (note 6.1.2.3)	Quarterly / Semi-annually commencing from July 11, 2024	July 11, 2026	100,000	3 months KIBOR plus base rate of 0.90%	478	-	-	478	48,804	48,534	(270)	0.19	0.55	0.27
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TEXTILE COMPOSITE

Masood Textile Mills Limited (A, VIS, non-traded)	Quarterly	December 17, 2024	857,143	3 months KIBOR plus base rate of 2.00%	150	-	23	127	107,630	107,585	(45)	0.42	5.08	0.61
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MISCELLANEOUS

International Brands Limited (AA, VIS, non-traded)	Quarterly / Monthly	May 5, 2022	16,821	3 months KIBOR plus base rate of 0.50%	4,000	-	-	4,000	67,124	67,154	30	0.26	14.13	0.38
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Shakarganj Food Products Limited (BBB+, VIS, non-traded) (note 6.1.2.1 & 6.1.2.3)	Quarterly	July 10, 2025	750,000	3 months KIBOR plus base rate of 1.75%	100	-	-	100	75,289	75,777	488	0.30	13.79	0.43
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Total as at December 31, 2021

3,878,781 3,893,311 14,530 15.30 21.94

Total as at June 30, 2021

4,501,262 4,525,280 24,018 16.61 28.48

* In case of debt securities against which provision has been made, these are carried at carrying value less provision.

6.1.2.1 The Securities and Exchange Commission of Pakistan vide Circular no. 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the Circular. Al Meezan Investment Management Limited (the Management Company) classified Meezan Islamic Income Fund (the Fund) as an 'Income Scheme' in accordance with the said Circular. As at December 31, 2021, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires that the rating of any security in the portfolio shall not be lower than the investment grade.

Following investments of the Funds are in sukuk certificates which are non-compliant securities. At the time of investment, these were compliant as per SECP criteria and the investment policy of the Fund.

Name of non-compliant investment	Type of investment	Value of investment before provision	Provision held (if any)	Value of investment after provision	Percentage of	
					Net assets	Total assets
					----- % -----	
Arzoo Textile Mills Limited	Non-traded sukuk certificates	70,000	70,000	-	-	-
Eden Housing Limited	Non-traded sukuk certificates	58,472	58,472	-	-	-
Security Leasing Corporation Limited II	Non-traded sukuk certificates	15,403	15,403	-	-	-
Hascol Petroleum Limited	Non-traded sukuk certificates	99,259	99,259	-	-	-
Shakarganj Food Products Limited	Non-traded sukuk certificates	75,777	-	75,777	0.30	0.30
Total as at December 31, 2021		318,911	243,134	75,777	0.30	0.30
Total as at June 30, 2021		328,461	198,134	130,327	0.48	0.46

6.1.2.2 On April 1, 2021, sukuk certificates of Hascol Petroleum Limited have been classified as non-performing by Mutual Funds Association of Pakistan (MUFAP). Therefore, in accordance with the requirement of SECP's Circular No.33 of 2012, the sukuk certificates have been classified as non-performing asset and no further profit has been accrued thereafter. Further, in accordance with the said Circular, an amount of Rs. 99.259 million (June 30, 2021: Rs. 54.259 million) have also been held as provision. The face value of sukuk certificates is Rs. 100 million as at December 31, 2021.

6.1.2.3 Circular No. 33 of 2012 allows the asset manager to apply a mark up / mark down within available limit for valuation of any specific debt security. Exercising the discretionary power, the above mentioned sukuk certificates of Engro Polymer and Chemicals Limited, Engro Powergen Thar (Private) Limited and Shakarganj Food Products Limited have been valued at a discretionary rate of Rs 101.5350, Rs 101.7603 and Rs 101.0358 when the reported market rate on MUFAP valuation sheet as at December 31, 2021 was Rs 107.6053, Rs 104.2923 and 103.4130 respectively. The mark down in prices has been done within allowable limits.

6.1.2.4 Sukuk certificates of Hub Power Holdings Limited and OBS AGP (Private) Limited are carried at their cost as they are not valued by MUFAP.

	Note	Six months period ended December 31,	
		2021	2020
6.1.2.5 Movement of provision		(Rupees in '000)	
Balance as at July 1		198,134	143,875
Charge for the period	6.1.2.2	45,000	-
Reversal for the period		-	-
Balance as at December 31		<u>243,134</u>	<u>143,875</u>

6.2 Certificates of musharakah

Name of the investee company	Maturity date	Profit rate	As at July 1, 2021	Placed during the period	Matured during the period	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation / (diminution) as at December 31, 2021	Percentage in relation to	
									Net assets of the Fund	Total market value of investments
		--- % ---	----- (Rupees in '000) -----					----- % -----		
Orix Modaraba (AA, PACRA)	April 29, 2022	10.05	600,000	-	-	600,000	600,000	-	2.36	3.38
First Habib Modaraba (AA+, PACRA)	December 1, 2021	7.80	300,000	-	300,000	-	-	-	-	-
First Habib Modaraba (AA+, PACRA)	December 21, 2021	9.30	300,000	-	300,000	-	-	-	-	-
Total as at December 31, 2021						<u>600,000</u>	<u>600,000</u>	<u>-</u>	<u>2.36</u>	<u>3.38</u>
Total as at June 30, 2021						<u>1,200,000</u>	<u>1,200,000</u>	<u>-</u>	<u>4.39</u>	<u>7.56</u>

6.2.1 The profit and principal payment of these certificates of musharakah is receivable at maturity.

6.3 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2021	Purchased during the period	Matured during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to	
										Net assets of the Fund	Total market value of investments
			----- (Number of certificates) -----				----- (Rupees in '000) -----		----- % -----		
K-Electric Limited CP-16 (A-1+, PACRA)	September 16, 2021	6 months KIBOR plus base rate of 0.60%	225	-	225	-	-	-	-	-	-
K-Electric Limited CP-18 (A-1+, VIS)	October 19, 2021	6 months KIBOR plus base rate of 0.55%	130	-	130	-	-	-	-	-	-
Mughal Iron & Steel Industries Limited ICP-1 (A-2, VIS)	July 21, 2022	6 months KIBOR plus base rate of 1.75%	-	300	-	300	285,395	285,395	-	1.12	1.61
Lucky Electric Power Company Limited ICP-1 (A-1, PACRA)	May 9, 2022	6 months KIBOR plus base rate of 0.75%	-	1,050	-	1,050	1,016,190	1,016,190	-	3.99	5.73
Total as at December 31, 2021							<u>1,301,585</u>	<u>1,301,585</u>	<u>-</u>	<u>5.11</u>	<u>7.34</u>
Total as at June 30, 2021							<u>348,011</u>	<u>348,011</u>	<u>-</u>	<u>1.28</u>	<u>2.19</u>

6.3.1 The nominal value of these commercial papers is Rs 1,000,000 each and these are redeemable at maturity.

		December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
7.	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	
	Remuneration payable	7.1	1,750
	Sindh Sales Tax on payable on remuneration of the Management Company		751
	Allocated expenses payable	7.2	228
	Selling and marketing expenses payable	7.3	98
	Sales load payable		3,516
	Sindh Sales Tax payable on sales load		4,326
	Certificate charges payable		27,213
			2,815
			234
			1
			1
		<u>42,679</u>	<u>35,570</u>

7.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 0.5% (December 31, 2020: 0.5%) per annum of the average annual net assets of the Fund during the period ended December 31, 2021. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged such expenses at the rate of 0.15% (December 31, 2020: 0.15%) of the average annual net assets of the Fund during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred.

7.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the following rates during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred:

Rate applicable from July 1, 2021 to September 30, 2021	Rate applicable from October 1, 2021 to December 31, 2021	Rate applicable from July 1, 2020 to December 31, 2020
0.3% of the average annual net assets of the Fund	0.4% of the average annual net assets of the Fund	0.4% of the average annual net assets of the Fund

		December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
8.	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	
	Auditors' remuneration payable		357
	Printing expenses payable		430
	Brokerage payable		566
	Shariah advisor fee payable		387
	Withholding tax payable		207
	Capital gain tax payable		537
	Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	538
	Zakat payable		-
	Other payable		123,938
	Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	8.2	86,196
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	130,733
			321
			517
			61
			50,417
			50,417
			2,642
			2,642
		<u>74,189</u>	<u>396,245</u>

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

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

With effect from July 01, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution, the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 53.059 million is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at December 31, 2021 would have been higher by Re 0.11 (June 30, 2021: Re 0.10) per unit.

9. CONTINGENCIES AND COMMITMENTS

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

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

Balances	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	1,750	751
Sindh Sales Tax payable on remuneration of the Management Company	228	98
Allocated expenses payable	3,516	4,326
Selling and marketing expenses payable	35,146	27,213
Sales load payable	1,804	2,815
Sindh Sales Tax payable on sales load	234	366
Certificate charges payable	1	1
Meezan Bank Limited		
Balances with bank	95,158	90,730
Profit receivable on savings account	83	-
Profit receivable on sukuk certificates	-	8,038
Sales load payable	1,048	2,145
Sindh Sales Tax on sales load payable	136	279
Shariah advisor fee payable	537	538
Investment of nil (June 30, 2021: 298 sukuk certificates)	-	308,615
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	1,758	2,177
Sindh Sales Tax payable on remuneration of the Trustee	229	283
Security deposit	100	100
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Investment of 1,572,244 units (June 30, 2021: 1,681,170 units)	83,958	86,536
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Investment of 1,112,392 units (June 30, 2021: 1,452,831 units)	59,401	74,782
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Investment of 3,192,670 units (June 30, 2021: 3,297,127 units)	170,488	169,715
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of nil (June 30, 2021: 840,427 units)	-	43,260



Balances

AI Meezan Investment Management Limited - Employees' Gratuity Fund

Investment of 200,139 units (June 30, 2021: 200,139 units)

**December 31,
2021
(Unaudited)
(Rupees in '000)**

**June 30,
2021
(Audited)**

10,687 10,302

Directors and Executives of the Management Company

Investments of 466,994 units (June 30, 2021: 504,281 units)

24,937 25,957

Transactions during the period

Six months period ended

December 31,

2021 2020

(Unaudited)

(Rupees in '000)

AI Meezan Investment Management Limited - Management Company

Remuneration of the Management Company

75,068 83,783

Sindh Sales Tax on remuneration of the Management Company

9,759 10,892

Allocated expenses

22,521 25,135

Selling and marketing expenses

52,525 67,026

Units issued: 7,604,100 units (December 31, 2020: 1,157,861 units)

400,000 60,000

Units redeemed: 7,604,100 units (December 31, 2020: 189,012 units)

400,350 10,000

Meezan Bank Limited

Profit on savings account

1,059 1,283

Profit on sukuk certificates

10,515 14,690

Shariah advisor fee

540 538

Pakistan Energy Sukuk II certificates sold during the period: nil
(December 31, 2020: 1,540,000 sukuk certificates)

- 7,702,310

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee

11,246 12,567

Sindh Sales Tax on remuneration of the Trustee

1,462 1,634

CDS Charges

33 1,420

Meezan Strategic Allocation Fund - MSAP - I

Units issued: 3,044,367 units (December 31, 2020: 924,876 units)

160,143 48,000

Units redeemed: 3,044,367 units (December 31, 2020: 1,404,664 units)

160,330 73,700

Meezan Strategic Allocation Fund - MSAP - II

Units issued: 1,896,168 units (December 31, 2020: 500,875 units)

99,745 26,000

Units redeemed: 1,896,168 units (December 31, 2020: 987,817 units)

99,861 51,657

Meezan Strategic Allocation Fund - MSAP - III

Units issued: 2,041,470 units (December 31, 2020: 838,091 units)

107,388 43,500

Units redeemed: 2,041,470 units (December 31, 2020: 2,385,278 units)

107,513 124,400

Meezan Strategic Allocation Fund - MSAP - IV

Units issued: 827,170 units (December 31, 2020: 866,998 units)

43,512 45,000

Units redeemed: 827,170 units (December 31, 2020: 3,539,486 units)

43,562 184,456

Meezan Strategic Allocation Fund - MSAP - V

Units issued: 281,913 units (December 31, 2020: 245,593 units)

14,830 12,770

Units redeemed: 281,913 units (December 31, 2020: 943,049 units)

14,846 49,290

Transactions during the period	Six months period ended	
	December 31,	
	2021	2020
	(Unaudited)	
	(Rupees in '000)	
Meezan Financial Planning Fund of Funds		
- Aggressive Allocation Plan		
Units issued: 99,658 units (December 31, 2020: 427,374 units)	5,250	22,246
Units redeemed: 208,584 units (December 31, 2020: 131,757 units)	10,946	6,875
Meezan Financial Planning Fund of Funds		
- Moderate Allocation Plan		
Units issued: 376,987 units (December 31, 2020: 392,980 units)	19,750	20,471
Units redeemed: 717,426 units (December 31, 2020: 173,690 units)	38,042	9,100
Meezan Financial Planning Fund of Funds		
- Conservative Allocation Plan		
Units issued: 426,395 units (December 31, 2020: 360,519 units)	22,500	18,894
Units redeemed: 530,852 units (December 31, 2020: 185,723 units)	27,905	9,750
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 804,211 units (December 31, 2020: 2,239,297 units)	42,304	117,676
Units redeemed: 1,644,638 units (December 31, 2020: 3,072,303 units)	86,495	161,465
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Units issued: nil units (December 31, 2020: 187,694 units)	-	10,000
Directors and Executives of the Management Company		
Units issued: 4,206,179 units (December 31, 2020: 1,724,491 units)	218,753	90,735
Units redeemed: 4,244,108 units (December 31, 2020: 1,235,647 units)	223,897	65,241

11. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2021 based on current period results is 1.19% (December 31, 2020: 1.38%) which includes 0.10% (December 31, 2020: 0.24%) representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Income Scheme'.

12. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these condensed interim financial statements.

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

13. FAIR VALUE MEASUREMENT

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

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

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

13.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

ASSETS	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Sukuk certificates	-	15,844,946	-	15,844,946
Certificates of musharakah *	-	600,000	-	600,000
Commercial papers **	-	1,301,585	-	1,301,585
	-	<u>17,746,531</u>	-	<u>17,746,531</u>

ASSETS	As at June 30, 2021			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Sukuk certificates	-	14,341,463	-	14,341,463
Certificates of musharakah *	-	1,200,000	-	1,200,000
Commercial papers **	-	348,011	-	348,011
	-	<u>15,889,474</u>	-	<u>15,889,474</u>

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counterparties which have high credit rating.

** The valuation of commercial papers has been done based on amortisation to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and are placed with counterparties which have high credit rating except for the commercial paper of Mughal Iron & Steel Industries Limited which has a tenure of one year, however, this has also been valued on the same basis.

14. GENERAL

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

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN

SOVEREIGN FUND (MSF)

Meezan Sovereign Fund is Pakistan's first Shariah Compliant Government Securities Fund. The purpose of the fund is to provide maximum possible preservation of capital and a reasonable rate of return by investing primarily in Shariah Compliant Government Securities.



LARGE SCALE MANUFACTURING SECTOR GREW AT A 16 YEAR HIGH LEVEL OF



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director – PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	MCB Islamic Bank Limited
Askari Bank Limited - Islamic Banking	Meezan Bank Limited
Bank Al Habib Limited - Islamic Banking	National Bank of Pakistan - Islamic Banking
Bank Alfalah Limited	Sindh Bank Limited
Bank Islami Pakistan Limited	Soneri Bank Limited
Dubai Islamic Bank Pakistan Limited	The Bank Of Punjab Limited
Faysal Bank Limited - Islamic Banking	UBL Ameen - Islamic Banking
Habib Bank Limited -Islamic Banking	

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shahra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcPakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN 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 Meezan Sovereign Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Sovereign Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

A.F. Ferguson & Co.

Chartered Accountants

Engagement Partner: **Khattab Muhammad Akhi Baig**

Date: February 26, 2022

Karachi



MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT DECEMBER 31, 2021

		December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
	Note		
Assets			
Balances with banks	5	1,079,612	2,060,201
Investments	6	7,915,221	7,613,507
Receivable against conversion of units		71,232	526,734
Deposits, prepayments and other receivable		104,796	88,668
Total assets		<u>9,170,861</u>	<u>10,289,110</u>
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	7	11,835	9,590
Payable to Central Depository Company of Pakistan Limited - Trustee	8	513	830
Payable to the Securities and Exchange Commission of Pakistan		1,020	1,822
Payable to Meezan Bank Limited		584	834
Payable against redemption and conversion of units		75,880	153,609
Accrued expenses and other liabilities	9	91,988	183,173
Total liabilities		<u>181,820</u>	<u>349,858</u>
Net assets		<u>8,989,041</u>	<u>9,939,252</u>
Contingencies and commitments	10		
Unit holders' fund (as per statement attached)		<u>8,989,041</u>	<u>9,939,252</u>
		(Number of units)	
Number of units in issue		<u>167,564,936</u>	<u>192,651,699</u>
		(Rupees)	
Net asset value per unit		<u>53.6451</u>	<u>51.5918</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN SOVEREIGN FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31,		Quarter ended December 31,	
		2021	2020	2021	2020
		(Rupees in '000)		(Rupees in '000)	
Income					
Profit on sukuk certificates		324,195	301,863	179,045	140,359
Net realised (loss) / gain on sale of sukuk certificates		(8,063)	2,835	(8,063)	100
Profit on saving accounts with banks		66,238	43,565	26,953	24,559
		<u>382,370</u>	<u>348,263</u>	<u>197,935</u>	<u>165,018</u>
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1 & 6.1.2	30,076	94,183	(11,585)	436
Total income		<u>412,446</u>	<u>442,446</u>	<u>186,350</u>	<u>165,454</u>
Expenses					
Remuneration of AI Meezan Investment Management Limited Management Company	7.1	25,507	22,203	12,918	11,131
Sindh Sales Tax on remuneration of the Management Company		3,316	2,886	1,679	1,447
Allocated expenses	7.2	7,652	6,661	3,875	3,340
Selling and marketing expense	7.3	15,304	17,762	7,750	8,905
Remuneration of Central Depository Company of Pakistan Limited - Trustee		3,058	2,886	1,421	1,447
Sindh Sales Tax on remuneration of the Trustee		397	375	184	188
Annual fee to Securities and Exchange Commission of Pakistan		1,020	888	516	445
Auditors' remuneration		372	337	203	159
Legal and professional charges		184	-	-	-
Fees and subscription		555	512	298	238
Brokerage expense		149	421	149	37
Bank and settlement charges		39	620	22	44
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	9.1	(40,077)	7,738	-	2,762
Total expenses		<u>17,476</u>	<u>63,289</u>	<u>29,015</u>	<u>30,143</u>
Net income for the period before taxation		<u>394,970</u>	<u>379,157</u>	<u>157,335</u>	<u>135,311</u>
Taxation	13	-	-	-	-
Net income for the period after taxation		<u>394,970</u>	<u>379,157</u>	<u>157,335</u>	<u>135,311</u>
Allocation of net income for the period					
Net income for the period after taxation		394,970	379,157		
Income already paid on units redeemed		(141,027)	(110,854)		
		<u>253,943</u>	<u>268,303</u>		
Accounting income available for distribution					
- Relating to capital gains		10,250	97,018		
- Excluding capital gains		243,693	171,285		
		<u>253,943</u>	<u>268,303</u>		

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	<u>Six months period</u>		<u>Quarter ended,</u>	
	<u>December 31,</u>		<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>(Rupees in '000)</u>		<u>(Rupees in '000)</u>	
Net income for the period after taxation	394,970	379,157	157,335	135,311
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>394,970</u>	<u>379,157</u>	<u>157,335</u>	<u>135,311</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020		
	Capital value	Undistrib- uted income	Total	Capital value	Undistrib- uted income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	9,634,121	305,131	9,939,252	9,438,622	297,709	9,736,331
Issue of 186,800,269 units (2020: 180,108,035 units)						
- Capital value (at net asset value per unit at the beginning of the period)	9,637,362	-	9,637,362	9,284,137	-	9,284,137
- Element of income	182,476	-	182,476	229,437	-	229,437
Total proceeds on issuance of units	9,819,838	-	9,819,838	9,513,574	-	9,513,574
Redemption of 211,887,032 units (2020: 204,690,882 units)						
- Capital value (at net asset value per unit at the beginning of the period)	10,931,633	-	10,931,633	10,551,324	-	10,551,324
- Element of loss	92,359	141,027	233,386	126,165	110,854	237,019
Total payments on redemption of units	11,023,992	141,027	11,165,019	10,677,489	110,854	10,788,343
Total comprehensive income for the period	-	394,970	394,970	-	379,157	379,157
Distribution during the period	-	-	-	-	-	-
Net income for the period less distribution	-	394,970	394,970	-	379,157	379,157
Net assets at the end of the period	8,429,967	559,074	8,989,041	8,274,707	566,012	8,840,719
Undistributed income brought forward						
- Realised income		203,956			297,512	
- Unrealised income		101,175			197	
		<u>305,131</u>			<u>297,709</u>	
Accounting income available for distribution						
- Relating to capital gains		10,250			97,018	
- Excluding capital gains		243,693			171,285	
		<u>253,943</u>			<u>268,303</u>	
Undistributed income carried forward		<u>559,074</u>			<u>566,012</u>	
Undistributed income carried forward						
- Realised income		528,998			471,829	
- Unrealised income		30,076			94,183	
		<u>559,074</u>			<u>566,012</u>	
			(Rupees)			(Rupees)
Net asset value per unit at beginning of the period			<u>51.5918</u>			<u>51.5476</u>
Net asset value per unit at end of the period			<u>53.6451</u>			<u>53.8092</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN SOVEREIGN FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

Note	Six months period ended December 31,	
	2021	2020
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	394,970	379,157
Adjustments for:		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(30,076)	(94,183)
	364,894	284,974
(Increase) / decrease in assets		
Investments - net	(271,638)	43,505
Deposits, prepayments and other receivable	(16,128)	25,634
	(287,766)	69,139
(Decrease) / increase in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	2,245	1,970
Payable to Central Depository Company of Pakistan Limited - Trustee	(317)	20
Payable to the Securities and Exchange Commission of Pakistan	(802)	(79)
Payable to Meezan Bank Limited	(250)	(328)
Accrued expenses and other liabilities	(91,185)	(42,671)
	(90,309)	(41,088)
Net cash (used in) / generated from operating activities	(13,181)	313,025
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	10,275,340	9,520,304
Payments against redemption and conversion of units	(11,242,748)	(10,754,053)
Net cash used in financing activities	(967,408)	(1,233,749)
Net decrease in cash and cash equivalents during the period	(980,589)	(920,724)
Cash and cash equivalents at the beginning of the period	2,060,201	2,580,042
Cash and cash equivalents at the end of the period	5 1,079,612	1,659,318

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

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN SOVEREIGN FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Sovereign Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under 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 Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is now required to be registered under the Sindh Trust Act. Accordingly, on September 3, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund has been formed to provide the unit holders preservation of capital along with Halal returns by investing primarily in a portfolio of Shariah compliant government securities, thus minimising the credit risk of investments. The Fund also keeps an exposure in short-term near cash instruments for the purpose of maintaining liquidity and to capitalise on high returns if available at any given point of time. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah principles. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund is an open end Shariah Compliant (Islamic) Income Scheme, 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.

1.4 The Management Company has been assigned a quality rating of AM1 by VIS dated December 27, 2021 (2020: AM1 dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: AM1 dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA(f) by VIS Credit Rating Company Limited dated December 27, 2021.

1.5 The 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 PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the approved accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the published audited annual financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
5. BALANCES WITH BANKS			
In saving accounts	5.1	1,079,609	2,057,357
In current accounts		3	2,844
		<u>1,079,612</u>	<u>2,060,201</u>

5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.5% (2020: 2.5%) per annum. Other saving accounts have expected profit rates ranging from 1.50% to 11.5% per annum (2020: 1.50% to 7.32% per annum).

	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
6. INVESTMENTS			
Investments - 'at fair value through profit or loss'			
Sukuk certificates	6.1	<u>7,915,221</u>	<u>7,613,507</u>
6.1 Sukuk certificates			
Government securities	6.1.1	7,873,645	7,502,782
Corporate sukuks	6.1.2	<u>41,576</u>	<u>110,725</u>
		<u>7,915,221</u>	<u>7,613,507</u>

6.1.1 Government securities

Name of the security	Profit payments / principal redemption	Issue date	Maturity date	Profit rate	As at July 1, 2021	Purchased during the period	Sales / matured during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution)/ appreciation as at December 31, 2021	Percentage in relation to	
												Net assets of the fund	Total market value of investments
									(Rs in '000)		(%)		
Pakistan Energy Sukuk I (note 6.1.1.1)	Semi-annually / at maturity	March 1, 2019	March 1, 2029	6 months KIBOR plus base rate of 0.8%	150,000	-	-	150,000	800,625	800,625	-	8.91%	10.12%
Pakistan Energy Sukuk II (note 6.1.1.1)	Semi-annually / at maturity	May 20, 2030	May 20, 2030	6 months KIBOR minus base rate of 0.10%	1,154,200	-	-	1,154,200	5,817,168	5,857,565	40,397	65.16%	74.00%
GoP Ijarah Sukuk Certificates - XX (note 6.1.1.1)	Semi-annually / at maturity	June 24, 2020	June 24, 2025	Weighted average 6 months T-Bills	1,000	-	-	1,000	100,600	100,180	(420)	1.11%	1.27%
GoP Ijarah Sukuk Certificates - XXI - VRR (note 6.1.1.1)	Semi-annually / at maturity	July 29, 2020	July 29, 2025	Weighted average 6 months T-Bills	1,830	-	1,830	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXII - VRR (note 6.1.1.1)	Semi-annually / at maturity	December 9, 2020	December 9, 2025	Weighted average 6 months T-Bills	5,950	-	5,950	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXIII - VRR (note 6.1.1.1)	Semi-annually / at maturity	October 6, 2021	October 6, 2026	Weighted average 6 months T-Bills	-	15,000	4,000	11,000	1,100,000	1,090,430	(9,570)	12.13%	13.78%
GoP Ijarah Sukuk Certificates - XXIV - VRR (note 6.1.1.1)	Semi-annually / at maturity	October 29, 2021	October 29, 2026	Weighted average 6 months T-Bills	-	3,000	2,750	250	25,037	24,845	(192)	0.28%	0.31%
Total - December 31, 2021									<u>7,843,430</u>	<u>7,873,645</u>	<u>30,215</u>	<u>87.59%</u>	<u>99.47%</u>
Total - June 30, 2021									<u>7,402,091</u>	<u>7,502,782</u>	<u>100,691</u>	<u>75.49%</u>	<u>98.55%</u>

6.1.1.1 The nominal value of these sukuk certificates is Rs 100,000 each except for Pakistan Energy Sukuk Certificates I and II having nominal value of Rs. 5,000 each.

6.1.2 Corporate sukuks

Name of the security	Profit payments / principal redemption	Maturity date	Profit rate	As at July 1, 2021	Purchased during the period	Sales / matured during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution)/ appreciation as at December 31, 2021	Percentage in relation to		
											Number of certificates	(Rs in '000)	Net assets of the fund
Power generation & distribution													
Neelum Jhelum Hydropower Company (Private) Limited (AAA, VIS, non-traded) (note 6.1.2.1)	Semi-annually	June 29, 2026	6 months KIBOR plus base rate of 1.13%	1,720	-	1,000	720	41,715	41,576	(139)	0.46%	0.07%	0.53%
Total - December 31, 2021								41,715	41,576	(139)	0.46%	0.53%	
Total - June 30, 2021								110,241	110,725	484	1.11%	1.45%	

6.1.2.1 The face value of the sukuk certificates is Rs 56,250 each.

	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Management fee payable	7.1	641	268
Sindh Sales Tax payable on remuneration of the Management Company		83	35
Allocated expenses payable	7.2	1,218	1,205
Selling and marketing expenses payable	7.3	9,487	7,297
Sales load payable		359	695
Sindh sales tax on sales load payable		47	90
		<u>11,835</u>	<u>9,590</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 0.5% (2020: 0.5%) of average annual net assets of the Fund. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company based on its own discretion has currently charged 0.15% (2020: 0.15%) of the average annual net assets of the scheme for allocation of such expenses to the Fund for the period subject to the total expense charged not being higher than actual expense incurred.

7.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, charged selling and marketing expense at the rate of 0.3% (2020: 0.4%) per annum of the average annual net assets of the Fund subject to the total expense charged not being higher than actual expense incurred.

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

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed. The rate of trustee fee applicable from July 1, 2021 till September 30, 2021 was 0.065% per annum of average annual net assets whereas from October 1, 2021 till period end, the rate of trustee fee revised to 0.055% per annum of average annual net assets.

9. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
(Rupees in '000)			
Auditors' remuneration payable		322	350
Printing charges payable		156	156
Brokerage payable		604	487
Shariah advisor fee payable		242	271
Withholding tax payable		420	36,570
Capital gain tax payable		7,512	22,411
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	-	40,077
Zakat payable		93	212
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	9.2	80,077	80,077
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	9.2	2,562	2,562
		<u>91,988</u>	<u>183,173</u>

9.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF will be been recognised in the financial statements of the Fund.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 82.639 million (June 30, 2021 : Rs 82.639 million) is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at December 31, 2021 would have been higher by Re 0.49 (June 30, 2021: Re. 0.43) per unit.

10. CONTINGENCIES AND COMMITMENTS

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

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

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

Details of transactions with connected persons and balances with them are as follows:

	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Management fee payable	641	268
Sindh Sales Tax payable on remuneration of the Management Company	83	35
Sales load payable	359	695
Sindh Sales Tax payable on sales load	47	90
Allocated expense payable	1,218	1,205
Selling and marketing expense payable	9,487	7,297
Investment of nil units (June 30, 2021: 19,388,675 units)	-	1,000,297
Meezan Bank Limited		
Balances with bank	7,151	701,593
Profit receivable on saving accounts	49	59
Sales load payable	517	738
Sindh Sales Tax on sales load payable	67	96
Shariah advisor fee payable	242	271
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	454	530
Sindh Sales Tax on trustee fee payable	59	69
Security deposit	100	100
CDS Charges Payable	-	231
Meezan Strategic Allocation Fund - MCPP - III		
Investment of 3,692,186 units (June 30, 2021: nil units)	198,068	-

	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Meezan Strategic Allocation Fund - II - MCPP - IV Investment of 8,127,696 units (June 30, 2021: nil units)	436,011	-
Meezan Strategic Allocation Fund - II - MCPP - V Investment of 1,419,023 units (June 30, 2021: nil units)	76,124	-
Meezan Strategic Allocation Fund - II - MCPP - VI Investment of 1,529,172 units (June 30, 2021: nil units)	82,033	-
Meezan Strategic Allocation Fund - II - MCPP - VII Investment of 1,721,590 units (June 30, 2021: nil units)	92,355	-
Meezan Strategic Allocation Fund - III - MCPP - IX Investment of 1,064,988 units (June 30, 2021: nil units)	57,131	-
AI Meezan Investment Management Limited - Employees Gratuity Fund Investment of 173,525 units (June 30, 2021: 173,525 units)	9,309	8,952
Directors and executives of the Management Company Investment of 663,488 units (June 30, 2021: 535,228 units)	35,593	27,613
	For the six months period ended December 31	
	2021	2020
	(Unaudited)	
	(Rupees in '000)	
Transactions during the period		
AI Meezan Investment Management Limited - the Management Company		
Remuneration of AI Meezan Investment Management Limited	25,507	22,203
Sindh Sales Tax on remuneration of the Management Company	3,316	2,886
Allocated expenses	7,652	6,661
Selling and marketing expense	15,304	17,762
Units issued: nil units (2020: 4,526,209 units)	-	234,482
Units redeemed: 19,388,675 units (2020: 4,526,209 units)	1,001,742	237,409
Meezan Bank Limited		
Profit on saving accounts	614	218
Shariah advisor fee	376	381
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration of the Trustee	3,058	2,886
Sindh Sales Tax on trustee fee	397	375
CDS charges	5	567
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: nil units (2020: 1,925,443 units)	-	101,785
Units redeemed: nil units (2020: 1,925,446 units)	-	102,346
Meezan Strategic Allocation Fund - MCPP - III		
Units issued: 3,713,278 units (2020: nil units)	198,451	-
Units redeemed: 21,092 units (2020: 1,808,651 units)	1,130	95,620
Meezan Strategic Allocation Fund - II - MCPP - IV		
Units issued: 8,206,996 units (2020: 3,863,698 units)	438,611	203,868
Units redeemed: 79,300 units (2020: 17,098,587 units)	4,250	905,632



**For the six months period
ended December 31**

	2021	2020
	(Unaudited)	
	(Rupees in '000)	
Meezan Strategic Allocation Fund - II - MCPP - V		
Units issued: 1,435,803 units (2020: 584,858 units)	76,734	30,781
Units redeemed: 16,780 units (2020: 4,801,575 units)	<u>900</u>	<u>252,664</u>
Meezan Strategic Allocation Fund - II - MCPP - VI		
Units issued: 1,529,172 units (2020: 37,345 units)	81,724	2,000
Units redeemed: nil units (2020: 1,731,255 units)	<u>-</u>	<u>91,840</u>
Meezan Strategic Allocation Fund - II - MCPP - VII		
Units issued: 1,746,554 units (2020: nil units)	93,342	-
Units redeemed: 24,964 units (2020: 801,781 units)	<u>1,334</u>	<u>42,464</u>
Meezan Strategic Allocation Fund - II - MCPP - VIII		
Units redeemed: nil units (2020: 460,255 units)	<u>-</u>	<u>24,500</u>
Meezan Strategic Allocation Fund - III - MCPP - IX		
Units issued: 1,064,988 units (2020: 462,505 units)	56,917	24,080
Units redeemed: nil units (2020: 835,432 units)	<u>-</u>	<u>43,908</u>
Directors and executives of the Management Company		
Units issued: 913,286 units (2020: 1,098,010 units)	48,063	56,992
Units redeemed: 801,222 units (2020: 1,222,912 units)	<u>42,070</u>	<u>63,814</u>

12. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.13% (2020: 1.43%) which includes 0.09% (2020: 0.27%) representing levies such as Sales tax, annual fee to the SECP etc. The ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

13. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

14. FAIR VALUE MEASUREMENT

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

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

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

14.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

As at December 31, 2021				
Level 1	Level 2	Level 3	Total	
ASSETS				
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Sukuk certificates	-	7,915,221	-	7,915,221
As at June 30, 2021				
Level 1	Level 2	Level 3	Total	
ASSETS				
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Sukuk certificates	-	7,613,507	-	7,613,507

15. GENERAL

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

16. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

THE MEEZAN DAILY INCOME PLAN (MDIP-I)

is an Allocation Plan under “Meezan Daily Income Fund (MDIF)” with an objective to provide investors with a competitive rate of return, together with daily payout, through investment in Shariah Compliant Fixed Income Instruments.



**TECHNOLOGY
EXPORTS
REGISTERED
A STAGGERING HIKE
BY**

80.6%

A tree with a brown trunk and branches, where the foliage is replaced by the number 80.6%. The tree is set against a white background with a faint purple mandala pattern in the upper half.

**IN
AUGUST
2021**

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)
Bank Islami Pakistan Limited
Habib Bank Limited - Islamic Banking
Soneri Bank Ltd - Islamic Banking

Allied Bank Limited - Islamic Banking
Bank of Khyber - Islamic Banking
Meezan Bank Limited
United Bank Limited- Islamic Banking

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN DAILY 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 Meezan Daily Income Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the period from September 14, 2021 to December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Daily Income Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the period from September 14, 2021 to December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the period from September 14, 2021 to December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi

**MEEZAN DAILY INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021**



	December 31, 2021 (Unaudited) MDIP-I (Rupees in '000)
Assets	
Balances with banks	5 9,493,833
Investments	6 3,580,583
Receivable against conversion of units	27,599
Deposits, prepayments and profit receivable	7 112,092
Preliminary expenses and floatation costs	8 724
Total assets	13,214,831
Liabilities	
Payable to AI Meezan Investment Management Limited - Management Company	9 4,293
Payable to Central Depository Company of Pakistan Limited - Trustee	10 931
Payable to the Securities and Exchange Commission of Pakistan	11 378
Payable to Meezan Bank Limited	3,018
Payable against conversion and redemption of units	29,915
Dividend payable	3,880
Accrued expenses and other liabilities	12 7,433
Total liabilities	49,848
Net assets	13,164,983
Unit holders' fund (as per statement attached)	13,164,983
Contingencies and commitments	13
Number of units in issue	263,299,640
Net asset value per unit	50.0000

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN DAILY INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 14, 2021 TO DECEMBER 31, 2021 AND QUARTER ENDED DECEMBER 31, 2021

	For the period from September 14, 2021 to December 31, 2021	Quarter ended, December 31, 2021
	MDIP-I	
Note	------(Rupees in '000)-----	
Income		
Profit on sukuks	7,902	7,902
Income on commercial papers	11,864	11,864
Profit on certificate of musharaka	6,926	6,926
Profit on term deposit receipts	1,249	1,249
Profit on savings accounts with banks	147,232	140,315
Net realised gain on sale of investment	1,300	1,300
Total income	176,473	169,556
Expenses		
Remuneration of AI Meezan Investment Management Limited - Management Company	9.1 2,682	2,682
Sindh Sales Tax on remuneration of the Management Company	9.2 349	349
Selling and marketing expenses	9.3 1,794	1,794
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1 1,417	1,345
Sindh Sales Tax on remuneration of the Trustee	10.2 184	175
Annual fee to the Securities and Exchange Commission of Pakistan	11 378	359
Auditors' remuneration	14 104	93
Brokerage expenses	23	23
Bank and settlement charges	25	25
Amortisation of preliminary expenses and floatation costs	8.1 45	39
Fees and subscription	145	145
Total expenses	7,146	7,029
Net income for the period before taxation	169,327	162,527
Taxation	16 -	-
Net income for the period after taxation	169,327	162,527
Allocation of net income for the period		
Net income for the period after taxation	169,327	
Income already paid on units redeemed	-	
	169,327	
Accounting income available for distribution		
- Relating to capital gains	1,300	
- Excluding capital gains	168,027	
	169,327	

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN DAILY INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 14, 2021 TO DECEMBER 31, 2021 AND QUARTER ENDED DECEMBER 31, 2021

	For the period from September 14, 2021 to December 31, 2021	Quarter ended, December 31, 2021
MDIP-I		
(Rupees in '000)		
Net income for the period after taxation	169,327	162,527
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>169,327</u>	<u>162,527</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

 Chief Executive

 Chief Financial Officer

 Director

MEEZAN DAILY INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 14, 2021 TO DECEMBER 31, 2021

For the period from September 14, 2021 to December 31, 2021		
Capital Value	Undistributed income	Total
MDIP-I		
(Rupees in '000)		

Issuance of 413,061,091 units			
- Capital value (at par value per unit)	20,653,055	-	20,653,055
- Element of income	-	-	-
Total proceeds on issuance of units	20,653,055	-	20,653,055
Redemption of 149,761,451 units			
- Capital value (at par value per unit)	7,488,072	-	7,488,072
- Element of loss	-	-	-
Total payments on redemption of units	7,488,072	-	7,488,072
Total comprehensive income for the period	-	169,327	169,327
Distributions during the period*	-	(169,327)	(169,327)
Net income for the period less distribution	-	-	-
Net assets at the end of the period	13,164,983	-	13,164,983

Accounting income available for distribution

- Relating to capital gains	1,300
- Excluding capital gains	168,027
	169,327

Distributions during the period* (169,327)

Undistributed income carried forward

-

Undistributed income carried forward

- Realised income	-
- Unrealised income	-
	-

(Rupees)

Net assets value per unit at the end of the period 50.0000

* Meezan Daily Income Fund is required to distribute dividend on a daily basis on each business day. The cumulative distribution per unit for the six month period ended December 31, 2021 amounted to Rs. 1.2264 per unit.

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN DAILY INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 14, 2021 TO DECEMBER 31, 2021

Note

For the period from September 14, 2021 to December 31, 2021
--

MDIP-I

(Rupees in '000)

CASH FLOWS FROM OPERATING ACTIVITIES

Net income for the period before taxation	169,327
Adjustment for non-cash items:	
Amortisation of preliminary expenses and floatation costs	45
	<u>169,372</u>
Increase in assets	
Investments - net	(1,180,583)
Deposits and prepayments	(112,092)
Preliminary expenses and floatation costs paid	(769)
	<u>(1,293,444)</u>
Increase in liabilities	
Payable to AI Meezan Investment Management Limited - Management Company	4,293
Payable to Central Depository Company of Pakistan Limited - Trustee	931
Payable to the Securities and Exchange Commission of Pakistan (SECP)	378
Payable to Meezan Bank Limited	3,018
Accrued expenses and other liabilities	7,433
	<u>16,053</u>
Net cash used in operating activities	<u>(1,108,019)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts against issuance and conversion of units	20,625,456
Payments against redemption and conversion of units	(7,458,157)
Dividend paid	(165,447)
Net cash generated from financing activities	<u>13,001,852</u>
Net increase in cash and cash equivalents	<u>11,893,833</u>
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	<u><u>11,893,833</u></u>

18

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

 Chief Executive

 Chief Financial Officer

 Director

MEEZAN DAILY INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 14, 2021 TO DECEMBER 31, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Daily Income Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 13, 2021 under Sindh Trusts Act, 2020 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under 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 Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund is an open ended Shariah compliant Income Scheme with allocation plans. The investment objective of the Fund is to earn return by investing in Shariah compliant fixed income instruments.
- 1.3** The Fund is an open-end Shariah Compliant Money Market Scheme and has the following specific features:
- (a) Dividend will be distributed to the entitled unit holders on a daily basis (i.e. each business day); and
(b) Daily dividend received by the unit holders shall be reinvested.
- By distributing dividend on a daily basis, the Management Company is required to ensure that total distribution in an accounting period accumulates to an amount that is required under the tax laws and other regulations in force.
- 1.4** Units 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 is listed on Pakistan Stock Exchange Limited.
- 1.5** The Management Company has been assigned a quality rating of AM1 by VIS dated December 27, 2021 and by PACRA dated June 23, 2021. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.6** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.7** As per offering document approved by SECP, the accounting period, in case of the first period, shall commence from the date on which the trust property is first paid or transferred to the Trustee. Accordingly, these condensed financial statements have been prepared from September 14, 2021.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the 'International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declared that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

3.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2022 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are therefore not disclosed in these condensed interim financial statements.

3.3 Critical accounting estimates and judgments

The preparation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgments that have a significant effect on the condensed interim financial statements of the Fund relate to valuation of financial assets (notes 4.3 and 6) and provision for taxation (note 4.13 and 16).

3.4 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values.

3.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These condensed interim financial statements are presented in Pakistani Rupee, which is the Fund's functional and presentation currency.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 The principal accounting policies applied in the preparation of these condensed interim financial statements are set out below.

4.2 Cash and cash equivalents

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

4.3 Financial assets

4.3.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the condensed interim income statement.

4.3.2 Classification and subsequent measurement

a) Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- amortised cost
- at fair value through other comprehensive income (FVOCI)
- at fair value through profit or loss (FVPL) based on the business model of the entity

However, IFRS 9 requires securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

b) Impairment

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

c) Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the condensed interim income statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has also been placed on the Management Company's website as required under the SECP's circular.

4.3.3 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

4.3.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the condensed interim income statement.

4.4 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the condensed interim income statement.

4.5 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the condensed interim 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 realise the assets and settle the liabilities simultaneously.

4.6 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 obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.7 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the condensed interim Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the period end.

4.8 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges, if applicable. The sales load is payable to the Management Company.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company receives redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

4.9 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the period also includes portion of income already paid on units redeemed during the period. As more fully explained in note 1.3 to the condensed interim financial statements, the Fund is required to make distribution on each business day.

Distributions declared subsequent to the period end reporting date are considered as non-adjusting events and are recognised in the condensed interim financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

4.10 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the 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 the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.11 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Profit on bank deposits, certificate of musharaka and term deposit receipts is recognised on accrual basis.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise.
- Income on sukuk certificates, placements and commercial papers is recognised on a time proportionate basis using the effective yield method except for the securities which are classified as non-performing asset under Circular 33 of 2012 issued by the SECP for which the profits are recorded on cash basis.

4.12 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee of the SECP are recognised in the condensed interim Income Statement on an accrual basis.

4.13 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the condensed interim financial statements and the corresponding tax bases used in the computation of the taxable profit. The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

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 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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.

4.14 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net income / (loss) of the period after taxation of the Fund by the weighted average number of units outstanding during the period.

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

4.15 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the condensed interim Income Statement.

	Note	December 31, 2021 (Unaudited) MDIP-I (Rupees in '000)
5		
BALANCES WITH BANKS		
Balances with banks in:		
Savings accounts	5.1	<u>9,493,833</u>
5.1		
These includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.50% per annum. Other savings accounts of the Fund have expected profit rates ranging from 2.50% to 11.75% per annum.		
		December 31, 2021 (Unaudited) MDIP-I (Rupees in '000)
6		
INVESTMENTS		
At fair value through profit or loss		
Commercial papers	6.1	705,583
Corporate sukuk	6.2	475,000
Term deposit receipts	6.3	1,000,000
Certificates of musharaka	6.4	<u>1,400,000</u>
		<u><u>3,580,583</u></u>

6.1 Commercial papers

Name of the security	Maturity date	Profit rate	Purchases during the period	Sales / redemptions / maturity during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to	
									Net assets of the Fund	Total market value of investment
Number of certificates						(Rupees in '000)		%		
K-Electric Limited ICP-22 (AA, VIS) (note 6.1.1)	April 07, 2022	6 months Kibor plus base rate of 0.5%	425	-	425	415,721	415,721	-	3.16	11.61
K-Electric Limited ICP-24 (AA, VIS) (note 6.1.1)	May 16, 2022	6 months Kibor plus base rate of 0.6%	300	-	300	289,862	289,862	-	2.20	8.10
Total as at December 31, 2021						705,583	705,583	-	5.36	19.71

6.1.1 The nominal value of these commercial papers is Rs 1,000,000 each and these are redeemable at maturity.

6.2 Corporate sukuk

Name of the security	Maturity date	Profit rate	Purchases during the period	Sales / redemptions / maturity during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to	
									Net assets of the Fund	Total market value of investment
Number of certificates						(Rupees in '000)		%		
Hub Power Company Limited VII (AA+, PACRA) (note 6.2.1)	May 02, 2022	6 months Kibor plus base rate of 0.80%	4,750	-	4,750	475,000	475,000	-	3.61	13.27
Total as at December 31, 2021						475,000	475,000	-	3.61	13.27

6.2.1 The nominal value of the sukuk certificates is Rs 100,000 and the profit and principal of corporate sukuk is receivable at maturity.

6.3 Term deposit receipts

Name of the bank	Maturity date	Profit rate	Placed during the period	Matured during the period	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
%			(Rupees in 000)				%		
The Bank of Punjab (AA+, PACRA)	March 28, 2022	11.40%	1,000,000	-	1,000,000	1,000,000	-	7.60	27.93
Total as at December 31, 2021			1,000,000	-	1,000,000	1,000,000	-	7.60	27.93

6.3.1 The profit and principal of term deposit receipts is receivable at maturity.

6.4 Certificates of musharaka

Name of the entity	Maturity date	Profit rate	Placed during the period	Matured during the period	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
%			(Rupees in 000)				%		
First Habib Modaraba (AA+, PACRA)	January 31, 2022	11.65%	700,000	-	700,000	700,000	-	5.32	19.55
First Habib Modaraba (AA+, PACRA)	January 31, 2022	11.65%	700,000	-	700,000	700,000	-	5.32	19.55
Total as at December 31, 2021			1,400,000	-	1,400,000	1,400,000	-	10.63	39.10

6.4.1 The profit and principal of certificate of musharaka is receivable at maturity.

		December 31, 2021 (Unaudited) MDIP-I (Rupees in '000)
7	DEPOSITS AND PREPAYMENTS	Note
	Security deposit with Central Depository Company of Pakistan Limited	100
	Profit receivable on balances with banks	95,655
	Profit receivable on sukuk certificates	7,426
	Profit receivable on term deposit receipts	8,175
	Prepayments	736
		<u>112,092</u>

8 PRELIMINARY EXPENSES AND FLOTATION COSTS

	At the beginning of the period		769
	Less: amortisation during the period	8.1	(45)
	At the end of the period		<u>724</u>

- 8.1** Preliminary expenses and flotation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

		December 31, 2021 (Unaudited) (Rupees in '000)	
9	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	
	Management fee payable	9.1	350
	Sindh Sales Tax on remuneration of the Management Company	9.2	46
	Formation cost payable to management company		769
	Selling and marketing expenses payable	9.3	1,794
	Sales load payable		1,180
	Sindh Sales Tax on sales load payable		154
			<u>4,293</u>

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

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

From September 14, 2021 to September 30, 2021	From October 1, 2021 to December 7, 2021
Nil	0.1% per annum of the average annual net assets

From December 8, 2021 to December 31, 2021
0.2% per annum of the average annual net assets

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

- 9.2** During the period, an amount of Rs. 0.349 million was charged on account of sales tax on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 0.303 million has been paid to the Management Company which acts as a collecting agent.

- 9.3** In accordance with Circular 11 dated July 5, 2019, the Management Company is entitled for charging selling and marketing expenses to Collective Investment Schemes (CISs) managed by them upto a maximum limit approved by the Board of Directors as part of annual plan. The Management Company, based on its own discretion, has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit at the following rates subject to the total expense charged not being higher than the actual expense incurred during the period:

From September 14, 2021 to September 30, 2021	From October 1, 2021 to December 31, 2021
Nil	0.1% per annum of the average annual net assets

**December 31,
2021
(Unaudited)
MDIP-I**

(Rupees in '000)

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	Note	
Trustee fee payable	10.1	824
Sindh Sales Tax payable on trustee fee	10.2	107
		931
		931

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed, at the rate of 0.075% per annum of net assets of the Fund.

10.2 During the period, an amount of Rs 0.184 million was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs 0.077 million was paid to the Trustee which acts as a collecting agent.

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) classified as an "Income Scheme" is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% per annum of average annual net assets during the current period.

**December 31,
2021
(Unaudited)
MDIP-I
(Rupees in '000)**

12 ACCRUED EXPENSES AND OTHER LIABILITIES

Brokerage payable		23
Auditors' remuneration payable		104
Withholding tax payable		7,198
Shariah advisory fee payable		108
		7,433
		7,433

13 CONTINGENCIES AND COMMITMENTS

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

**For the period from
September 14, 2021
to December 31,
2021
(Unaudited)
MDIP-I
(Rupees in '000)**

14 AUDITORS' REMUNERATION

Statutory audit fee		54
Half yearly review fee		50
		104
		104

15 TOTAL EXPENSE RATIO

The annualised Total Expense Ratio (TER) of the Fund as at December 31, 2021 is 0.30% which includes 0.03% representing government levies on the Fund such as sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Income Scheme.

16 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income for the period ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these condensed interim financial statements.

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

17 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

The details of transactions carried out by the Fund with connected persons / related parties during the period and balances with them as at period end are as follows:

Balances	December 31, 2021 (Unaudited) MDIP-I (Rupees in '000)
Al Meezan Investment Management Limited - Management Company	
Management fee payable	350
Sindh Sales Tax on management fee payable	46
Formation cost payable	769
Selling and marketing expenses payable	1,794
Sales Load Payable	1,180
Sindh Sales Tax on sales load payable	154
Investment of 26,725,892 units	1,336,295
Central Depository Company of Pakistan Limited - Trustee	
Remuneration payable to the Trustee	824
Sindh Sales Tax on remuneration of the Trustee	107
Security deposit	100



**December 31,
2021
(Unaudited)
MDIP-I
(Rupees in '000)**

Meezan Bank Limited

Balance with bank	87,184
Profit receivable on saving account	95
Sales Load Payable	2,671
Sindh Sales Tax on sales load payable	347
Shariah advisor fee payable	108

Meezan Strategic Allocation Fund - MSAP - I

Investment of 2,627,594 units	131,380
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Meezan Strategic Allocation Fund - MSAP - II

Investment of 1,860,886 units	93,044
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Meezan Strategic Allocation Fund - MSAP - III

Investment of 1,709,409 units	85,470
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Meezan Strategic Allocation Fund - MSAP - IV

Investment of 649,245 units	32,462
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Meezan Strategic Allocation Fund - MSAP - V

Investment of 232,413 units	11,621
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Meezan Financial Planning Fund Of Funds - MAAP - I

Investment of 455,732 units	22,787
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Directors and Executives of the Management Company

Investment of 3,316,435 units	165,822
-------------------------------	---------

Transactions during the period

**For the period from
September 14, 2021
to December 31,
2021 (Unaudited)
MDIP-I
(Rupees in '000)**

Al Meezan Investment Management Limited - Management Company

Remuneration for the period	2,682
Sindh Sales Tax on management fee for the period	349
Selling and marketing expense	1,794
Units issued: 56,625,892 units	2,831,295
Units redeemed: 29,900,000 units	1,495,000
Dividend paid	36,406

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	1,417
Sindh Sales Tax on remuneration of the Trustee	184
CDS charges	4

Meezan Bank Limited

Profit on savings account	269
Shariah advisory fee	108

For the period from
September 14, 2021
to December 31,
2021 (Unaudited)

MDIP-I
(Rupees in '000)

Meezan Strategic Allocation Fund - MSAP - I

Units issued: 6,754,263 units

337,713

Units redeemed: 4,126,669 units

206,333

Dividend paid

3,037

Meezan Strategic Allocation Fund - MSAP - II

Units issued: 4,196,376 units

209,819

Units redeemed: 2,335,490 units

116,775

Dividend paid

1,961

Meezan Strategic Allocation Fund - MSAP - III

Units issued: 4,517,166 units

225,858

Units redeemed: 2,807,757 units

140,388

Dividend paid

2,047

Meezan Strategic Allocation Fund - MSAP - IV

Units issued: 1,814,481 units

90,724

Units redeemed: 1,165,236 units

58,262

Dividend paid

784

Meezan Strategic Allocation Fund - MSAP - V

Units issued: 586,803 units

29,340

Units redeemed: 354,390 units

17,720

Dividend paid

256

Meezan Financial Planning Fund Of Funds - MAAP - I

Units issued: 1,763,613 units

88,181

Units redeemed: 1,307,881 units

65,394

Dividend paid

742

Directors and Executives of the Management Company

Units issued: 7,352,951 units

367,648

Units redeemed: 4,036,516 units

201,826

Dividend Paid

2,337

December 31,
2021

(Unaudited)

MDIP-I
(Rupees in '000)

18 CASH AND CASH EQUIVALENTS

Note

Balances with banks

5

9,493,833

Term deposit receipts - having original maturity of
3 months or less

6.3

1,000,000

Certificates of musharaka

6.4

1,400,000

11,893,833

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The risk management policy of the Fund aims to maximise the return attributable to the unit holders and seeks to minimise potential adverse effects on the Fund's financial performance.

Risks of the Fund are being managed by the Fund manager in accordance with the approved policies of the Investment Committee which provides broad guidelines for management of risk pertaining to market risks (including price risk, interest rate risk and currency risk) credit risk and liquidity risk. Further, the overall exposure of the Fund complies with the NBFC Regulations and the directives issued by the SECP.

Risks managed and measured by the Fund are explained below:

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: profit rate risk, currency risk and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of December 31, 2021, the Fund is exposed to such risk on its balances held with banks and investments in corporate sukuks, commercial papers, term deposit receipts and certificates of musharaka. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

The Fund's variable rate risk arises from the balances with banks. At December 31, 2021, if there had been increase / decrease of 100 basis points in interest rates, with all other variables held constant, net assets of the Fund for the period then ended would have been higher / lower by Rs 7.912 million.

b) Sensitivity analysis for fixed rate instruments

The Fund does not hold any financial instruments that are exposed to fixed rate risk.

The composition of the Fund's investment portfolio and KIBOR rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of December 31, 2021 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result 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 that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Fund does not hold any instruments that are exposed to price risk.

19.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. 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. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the period ended December 31, 2021.

19.3 Credit risk

19.3.1 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 as it falls due. Credit risk arising on the debt instruments is mitigated by investing in rated instruments or instruments issued by rated counterparties of credit ratings of at least investment grade by the recognised rating agencies. The Fund receives a monthly rating update, against which investments are reviewed.

The table below analyses the Fund's maximum exposure to credit risk:

	December 31, 2021	
	Un-audited	
	Balance as per condensed interim statement of assets and liabilities	Maximum exposure to credit risk
	----- (Rupees in '000) -----	
Balances with banks	9,493,833	9,493,833
Investments	3,580,583	3,580,583
Deposits, prepayments and profit receivable	112,092	111,356
	<u>13,186,508</u>	<u>13,185,772</u>

The maximum exposure to credit risk before any credit enhancement as at December 31, 2021 is the carrying amount of the financial assets.

19.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks, investments and profit accrued thereon. The credit rating profile of balances with banks is as follows:

Rating	% of bank balance exposed to credit risk 2021
AAA	24.08%
AA-	5.27%
A+	70.65%
	<u>100.00%</u>

Ratings of investments have been disclosed in related notes to the condensed interim financial statements. Since, the asset of the Fund are held with credit worthy counterparties, therefore any significant credit risk is mitigated.

19.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at December 31, 2021 are unsecured and are not impaired.

20 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

As at December 31, 2021, the Fund held the following financial instruments measured at fair values:

	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets - at fair value through profit or loss				
Corporate sukuks*	-	475,000	-	-
Term deposit receipts*	-	1,000,000	-	-
Certificates of musharakah*	-	1,400,000	-	-
Commercial papers**	-	705,583	-	-
	-	3,580,583	-	-

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

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

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Condensed Interim Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

The Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

22 GENERAL

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

23 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN

CASH FUND (MCF)

Meezan Cash Fund is Pakistan's first Shariah Compliant Money Market Fund. MCF aims to seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in liquid Shariah Compliant money market and debt securities.



ROSHAN DIGITAL ACCOUNT INFLOW SURPASSES



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited	MCB Bank Limited
Askari Bank Limited - Islamic Banking	MCB Islamic Bank Limited
Bank Al Habib Limited - Islamic Banking	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan - Islamic Banking
Dubai Islamic Bank Pakistan Limited	Sindh Bank Limited
Faysal Bank Limited - Islamic Banking	The Bank of Punjab
Habib Bank Limited -Islamic Banking	UBL Ameen - Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking	

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

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Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

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Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
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Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN 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 Meezan Cash Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Cash Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi



MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021

		December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Assets			
Balances with banks	5	11,113,383	10,670,565
Investments	6	1,624,237	2,724,517
Receivable against conversion of units		523,107	448,896
Profit receivable		81,117	56,718
Deposits and prepayments		780	589
Total assets		<u>13,342,624</u>	<u>13,901,285</u>
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	16,724	13,765
Payable to Central Depository Company of Pakistan Limited - Trustee		710	829
Payable to the Securities and Exchange Commission of Pakistan		1,351	2,964
Payable against conversion and redemption of units		56,399	135,383
Accrued expenses and other liabilities	8	38,863	191,330
Total liabilities		<u>114,047</u>	<u>344,271</u>
Net assets		<u>13,228,577</u>	<u>13,557,014</u>
Contingencies and commitments	9		
Unit holders' fund (as per statement attached)		<u>13,228,577</u>	<u>13,557,014</u>
		(Number of units)	
Number of units in issue		<u>252,345,642</u>	<u>268,254,374</u>
		(Rupees)	
Net asset value per unit		<u>52.4225</u>	<u>50.5379</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN CASH FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

Note	Six months period ended December 31,		Quarter ended December 31,		
	2021	2020	2021	2020	
	(Rupees in '000)		(Rupees in '000)		
Income					
Net realised loss on sale of investments	-	(193)	-	-	
Profit on term deposit receipts	69,374	33,771	40,443	23,201	
Profit on commercial papers and sukuk certificates	37,527	109,196	7,572	51,170	
Profit on Bai Muajjal	-	43,693	-	15,107	
Profit on saving accounts with banks	389,703	359,476	209,862	177,034	
Total income	496,604	545,943	257,877	266,512	
Expenses					
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	33,768	38,999	16,443	19,753
Sindh Sales Tax on remuneration of the Management Company		4,390	5,070	2,138	2,568
Allocated expenses	7.2	10,130	11,700	4,932	5,926
Selling and marketing expenses	7.3	20,261	31,199	9,866	15,802
Remuneration of Central Depository Company of Pakistan Limited - Trustee		4,061	5,070	1,809	2,568
Sindh Sales Tax on remuneration of the Trustee		528	659	235	334
Annual fee to the Securities and Exchange Commission of Pakistan		1,351	1,560	658	790
Auditors' remuneration		336	319	151	139
Fees and subscription		719	730	360	366
Legal and professional charges		192	-	8	-
Brokerage expense		-	30	-	-
Bank and settlement charges		288	721	141	222
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	8.1	(72,854)	8,998	-	4,361
Total expenses		3,170	105,055	36,741	52,829
Net income for the period before taxation		493,434	440,888	221,136	213,683
Taxation	12	-	-	-	-
Net income for the period after taxation		493,434	440,888	221,136	213,683
Allocation of net income for the period					
Net income for the period after taxation		493,434	440,888		
Income already paid on units redeemed		(160,886)	(151,241)		
		332,548	289,647		
Accounting income available for distribution					
- Relating to capital gains		-	-		
- Excluding capital gains		332,548	289,647		
		332,548	289,647		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Six months period December 31,		Quarter ended, December 31,	
	2021 (Rupees in '000)	2020 (Rupees in '000)	2021 (Rupees in '000)	2020 (Rupees in '000)
Net income for the period after taxation	493,434	440,888	221,136	213,683
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>493,434</u>	<u>440,888</u>	<u>221,136</u>	<u>213,683</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	13,448,645	108,369	13,557,014	13,928,564	97,875	14,026,439
Issuance of 325,698,438 units (December 31, 2020: 386,355,109 units)						
- Capital value (at net asset value per unit at the beginning of the period)	16,460,115	-	16,460,115	19,509,079	-	19,509,079
- Element of income	336,236	-	336,236	268,335	-	268,335
Total proceeds on issuance of units	16,796,351	-	16,796,351	19,777,414	-	19,777,414
Redemption of 341,607,170 units (December 31, 2020: 398,501,773 units)						
- Capital value (at net asset value per unit at the beginning of the period)	17,264,109	-	17,264,109	20,122,427	-	20,122,427
- Element of loss	193,227	160,886	354,113	170,926	151,241	322,167
Total payments on redemption of units	17,457,336	160,886	17,618,222	20,293,353	151,241	20,444,594
Total comprehensive income for the period	-	493,434	493,434	-	440,888	440,888
Distribution during the period	-	-	-	-	-	-
Net income for the period less distribution	-	493,434	493,434	-	440,888	440,888
Net assets at the end of the period	12,787,660	440,917	13,228,577	13,412,625	387,522	13,800,147
Undistributed income brought forward						
- Realised income		108,369			97,875	
- Unrealised income		-			-	
		<u>108,369</u>			<u>97,875</u>	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		332,548			289,647	
		<u>332,548</u>			<u>289,647</u>	
Undistributed income carried forward		<u>440,917</u>			<u>387,522</u>	
Undistributed income carried forward						
- Realised income		440,917			387,522	
- Unrealised income		-			-	
		<u>440,917</u>			<u>387,522</u>	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			<u>50.5379</u>			<u>50.4952</u>
Net asset value per unit at the end of the period			<u>52.4225</u>			<u>51.9523</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN CASH FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

Note	Six months period ended December 31,	
	2021	2020
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	493,434	440,888
Decrease / (increase) in assets		
Investments - net	1,100,280	1,042,647
Deposits and prepayments	(191)	142
Profit receivable	(24,399)	6,583
	1,075,690	1,049,372
(Decrease) / increase in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	2,959	308
Payable to Central Depository Company of Pakistan Limited - Trustee	(119)	(40)
Payable to the Securities and Exchange Commission of Pakistan	(1,613)	(840)
Accrued expenses and other liabilities	(152,467)	(119,868)
	(151,240)	(120,440)
Net cash generated from operating activities	1,417,884	1,369,820
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	16,722,140	19,804,833
Payments against redemption and conversion of units	(17,697,206)	(20,554,050)
Net cash used in financing activities	(975,066)	(749,217)
Net increase in cash and cash equivalents during the period	442,818	620,603
Cash and cash equivalents at the beginning of the period	11,970,565	10,404,710
Cash and cash equivalents at the end of the period	12,413,383	11,025,313

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN CASH FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Cash Fund (the Fund) was established under a trust deed executed under the Trust Act, 1882 between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The trust deed was executed on May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under 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 Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Consequently, the Fund is required to be registered under the Sindh Trust Act. Accordingly, on September 9, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund has been formed to provide the unit holders with stable stream of halal income on their investments and to generate long term risk adjusted returns. The Fund shall also keep exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point in time. The Fund shall seek to maximise preservation of capital and a reasonable rate of return via investing primarily in liquid Shariah compliant money market and Shariah compliant debt securities. Under the trust deed, all the conducts and acts of the Fund are based on Shariah principles. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.3 The Fund is categorized as an open-end Shariah Compliant (Islamic) Money Market Scheme 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.

1.4 The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 27, 2021 (2020: AM1 dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: AM1 dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA(f) by VIS Credit Rating Company Limited dated December 27, 2021.

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

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	(Rupees in '000)	
5. BALANCES WITH BANKS			
In savings accounts	5.1	11,113,208	10,670,379
In current accounts		175	186
		<u>11,113,383</u>	<u>10,670,565</u>

5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.5% (June 30, 2021: 2.5%) per annum. Other saving accounts have expected profit rates ranging from 1.50% to 10.75% per annum (June 30, 2021: 1.50% to 7.00% per annum).

	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
5.2 Cash and cash equivalents			
Balances with banks	5	11,113,383	10,670,565
Term deposit receipts - having original maturity of 3 months or less	6	<u>1,300,000</u>	<u>1,300,000</u>
		<u><u>12,413,383</u></u>	<u><u>11,970,565</u></u>

6. INVESTMENTS

At fair value through profit or loss

Commercial papers	6.1	324,237	1,424,517
Term deposit receipts	6.2	<u>1,300,000</u>	<u>1,300,000</u>
		<u><u>1,624,237</u></u>	<u><u>2,724,517</u></u>

6.1 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2021	Purchases during the period	Sales / redemptions / maturity during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to	
										(Number of certificates)	(Rupees in '000)
K-Electric Limited CP XV (A-1+, PACRA) (note 6.1.1)	September 2, 2021	6 month KIBOR plus base rate of 0.60%	625	-	625	-	-	-	-	-	-
K-Electric Limited CP XVI (A-1+, PACRA) (note 6.1.1)	September 16, 2021	6 month KIBOR plus base rate of 0.60%	300	-	300	-	-	-	-	-	-
K-Electric Limited CP XVII (A-1+, VIS) (note 6.1.1)	October 6, 2021	6 month KIBOR plus base rate of 0.55%	325	-	325	-	-	-	-	-	-
K-Electric Limited CP XVIII (A-1+, VIS) (note 6.1.1)	October 19, 2021	6 month KIBOR plus base rate of 0.55%	200	-	200	-	-	-	-	-	-
K-Electric Limited CP XIX (A-1+, VIS) (note 6.1.1)	January 12, 2022	6 month KIBOR plus base rate of 0.45%	-	325	-	325	324,237	324,237	-	2.45%	19.96%
Total as at December 31, 2021							<u><u>324,237</u></u>	<u><u>324,237</u></u>			
Total as at June 30, 2021							<u><u>1,424,517</u></u>	<u><u>1,424,517</u></u>			

6.1.1 The nominal value of these commercial papers is Rs 1,000,000 each and these are redeemable at maturity.

6.1.2 The securities are valued on the basis of amortisation to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and non traded debt securities with residual maturity of upto six months.

6.2 Term deposit receipts

Name of the bank	Maturity	Profit rate	As at July 1, 2021	Term deposit receipts placed during the period	Matured during the period	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to	
									Net assets of the fund	Total market value of investment
		%	----- (Rupees in '000) -----						----(%)----	
United Bank Limited - Ameen	July 5, 2021	7.00%	1,300,000	-	1,300,000	-	-	-	-	-
United Bank Limited - Ameen	August 9, 2021	6.80%	-	1,300,000	1,300,000	-	-	-	-	-
United Bank Limited - Ameen	September 9, 2021	6.80%	-	1,300,000	1,300,000	-	-	-	-	-
United Bank Limited - Ameen	October 8, 2021	7.00%	-	1,300,000	1,300,000	-	-	-	-	-
United Bank Limited - Ameen	November,8 2021	7.00%	-	1,300,000	1,300,000	-	-	-	-	-
Askari Bank Limited	December 1, 2021	7.15%	-	1,100,000	1,100,000	-	-	-	-	-
United Bank Limited - Ameen	December 2, 2021	8.35%	-	1,100,000	1,100,000	-	-	-	-	-
Meezan Bank Limited	December 3, 2021	7.46%	-	1,100,000	1,100,000	-	-	-	-	-
The Bank of Punjab	March 15, 2022	11.25%	-	1,300,000	-	1,300,000	1,300,000	-	9.83%	80.04%
Total as at December 31, 2021						9,800,000	9,800,000	1,300,000	1,300,000	-
Total as at June 30, 2021						1,300,000	1,300,000	-		

6.2.1 The profit and principal of term deposit receipts is receivable at maturity.

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	December 31, 2021	June 30, 2021
		(Unaudited)	(Audited)
		(Rupees in '000)	
Management fee payable	7.1	918	449
Sindh Sales Tax payable on remuneration of the Management Company		119	57
Allocated expenses payable	7.2	1,682	2,781
Selling and marketing expenses payable	7.3	14,005	10,478
		<u>16,724</u>	<u>13,765</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 0.5% (2020: 0.5%) per annum of average annual net assets of the Fund. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company based on its own discretion charged 0.15% (2020: 0.15%) per annum of the average annual net assets of the scheme for allocation of such expenses to the Fund during the period subject to the total expense charged being lower than actual expense incurred.

7.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expense at the rate of 0.3% (2020: 0.4%) per annum of average annual net assets of the Fund during the period subject to the total expense charged being lower than actual expense incurred.

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	(Rupees in '000)	
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	-	72,854
Withholding tax payable		472	73,530
Capital gain tax payable		9,771	15,532
Provision for Federal Excise Duty and related Sindh Sales tax on remuneration of the management company	8.2	27,018	27,018
Shariah advisor fee payable		663	653
Brokerage expense payable		49	49
Auditors' remuneration payable		288	335
Printing expense payable		111	111
Other expenses payable		175	463
Zakat payable		316	785
		<u>38,863</u>	<u>191,330</u>

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF has been recognised in the condensed interim financial statements of the Fund.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 27.018 million is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.11 (June 30, 2021: Re 0.10) per unit.

9. CONTINGENCIES AND COMMITMENTS

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

10. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.13% (2020: 1.35%) which includes 0.09% (2020: 0.21%) representing levies such as Sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Money Market scheme.

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

11.1 Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

11.2 Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

11.5 Details of transactions with connected persons and balances with them are as follows:

Balances	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Management fee payable	918	449
Sindh Sales Tax payable on remuneration of the Management Company	119	57
Selling and marketing expenses payable	14,005	10,478
Allocated expenses payable	1,682	2,781
Meezan Bank Limited		
Balance with bank	11,194	321,188
Profit receivable on saving accounts	218	159
Shariah advisor fee payable	663	653
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	628	734
Sindh Sales Tax on trustee fee payable	82	95
Security deposit	100	100
Directors and executives of the Management Company		
Investment of units 6,930,083 (June 30, 2021: 8,454,024 units)	363,292	427,248

Transactions during the period

	Six months period ended December 31,	
	2021 (Unaudited) (Rupees in '000)	2020 (Unaudited) (Rupees in '000)
Al Meezan Investment Management Limited - the Management Company		
Remuneration of Al Meezan Investment Management Limited - Management Company	33,768	38,999
Sindh Sales Tax on remuneration of the Management Company	4,390	5,070
Allocated expenses	10,130	11,700
Selling and marketing expenses	20,261	31,199
Meezan Bank Limited		
Profit on saving accounts	1,274	1,489
Term deposit receipt placed	1,100,000	-
Term deposit matured	1,100,000	-
Profit on term deposit receipt	5,396	-
Shariah advisor fee	550	563
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	4,061	5,070
Sindh Sales Tax on remuneration of the Management Company	528	659
CDS charges	3	367
Meezan Strategic Allocation Fund II- MCPP - IV		
Units issued: nil units (2020: 3,239,124 units)	-	165,000
Units redeemed: nil units (2020: 3,239,124 units)	-	165,077
Meezan Strategic Allocation Fund II- MCPP - V		
Units issued: nil units (2020: 569,301 units)	-	29,000
Units redeemed: nil units (2020: 569,301 units)	-	29,014
Directors and Executives of the Management Company		
Units issued: 3,052,038 units (2020: 1,460,399 units)	157,954	74,641
Units redeemed: 4,576,247 units (2020: 2,394,610 units)	236,273	122,431

12. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these condensed interim financial statements.

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

13. FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

As at December 31, 2021			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

ASSETS

Financial assets 'at fair value through profit or loss'

Term deposit receipts *	-	1,300,000	-	1,300,000
Commercial papers **	-	324,237	-	324,237
	-	1,624,237	-	1,624,237

As at June 30, 2021			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

ASSETS

Financial assets 'at fair value through profit or loss'

Term deposit receipts *	-	1,300,000	-	1,300,000
Commercial papers **	-	1,424,517	-	1,424,517
	-	2,724,517	-	2,724,517

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

** The valuation of commercial papers have been carried out based on amortisation of commercial papers as per the guidelines given in Circular 33 of 2012 since the residual maturity of these investments is less than six months and they are placed with counterparties which have high credit rating.

14. GENERAL

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

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN

ROZANA AMDANI FUND (MRAF)

The objective of the Fund is to meet liquidity needs of investors by providing investors a daily payout through investment in Shariah Compliant money market instruments.

The Fund shall be subject to such exposure limits as are specified in the Rules, the Regulations and directives issued by SECP from time to time. The Fund will make daily payout to the unit holders, which will be reinvested.



A QUANTUM LEAP
FROM
136TH POSITION
TO

108



FOR
"EASE OF
DOING
BUSINESS"

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director – PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road , Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited - Islamic Banking	Dubai Islamic Bank Pakistan Limited
Askari Bank Limited - Islamic Banking	Faysal Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking	Habib Bank Limited -Islamic Banking
Bank Of Punjab – Islamic Banking	Meezan Bank Limited
Bank Alfalah Limited - Islamic Banking	UBL Ameen - Islamic Banking

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN ROZANA AMDANI 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 Meezan Rozana Amdani Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Rozana Amdani Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

A.F. Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi

**MEEZAN ROZANA AMDANI FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021**



	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
Note	(Rupees in '000)	
Assets		
Balances with banks	42,489,980	56,743,167
Investments	9,641,043	17,726,099
Receivable against conversion of units	149,076	436,029
Profit receivable	278,220	257,354
Preliminary expenses and floatation costs	399	500
Deposits and prepayments	200	294
Total assets	52,558,918	75,163,443
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	5,833	-
Payable to Central Depository Company of Pakistan Limited - Trustee	2,357	3,554
Payable to the Securities and Exchange Commission of Pakistan	5,239	9,092
Payable against conversion and redemption of units	52,005	280,124
Dividend payable	14,656	-
Accrued expenses and other liabilities	29,604	166,376
Total liabilities	109,694	459,146
Net assets	52,449,224	74,704,297
Unit holders' fund (as per statement attached)	52,449,224	74,704,297
Contingencies and commitments	10	
	----- (Number of units) -----	
Number of units in issue	1,048,984,461	1,494,085,918
	----- (Rupees) -----	
Net asset value per unit	50.0000	50.0000

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

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN ROZANA AMDANI FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31,		Quarter ended December 31,	
		2021	2020	2021	2020
Income					
Profit on commercial papers and sukuk certificates		138,960	161,712	67,142	72,448
Profit on term deposit receipts		262,993	128,516	117,528	83,608
Profit on Bai muajjal	6.4	321,850	360,576	162,557	174,575
Profit on savings accounts with banks		1,255,751	929,317	602,602	431,527
Net realised loss on sale of investments		(1,685)	(1,277)	-	(183)
Total income		1,977,869	1,578,844	949,829	761,975
Expenses					
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	43,697	44,996	17,230	22,169
Sindh Sales Tax on remuneration of the Management Company		5,681	5,849	2,240	2,882
Selling and marketing expenses	7.2	10,538	68,284	3,446	26,423
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8	15,879	14,624	6,318	7,205
Sindh Sales Tax on remuneration of the Trustee		2,064	1,901	821	937
Annual fee to the Securities and Exchange Commission of Pakistan		5,239	4,500	2,297	2,217
Auditors' remuneration		325	240	165	101
Amortisation of preliminary expenses and floatation costs		101	101	51	51
Fees and subscription		664	657	332	327
Legal and professional charges		184	-	-	-
Brokerage expense		362	288	-	52
Bank and settlement charges		1,854	2,827	1,078	1,036
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	9.1	(141,199)	28,692	-	13,972
Total expenses		(54,611)	172,959	33,978	77,372
Net income for the period before taxation		2,032,480	1,405,885	915,851	684,603
Taxation	13	-	-	-	-
Net income for the period after taxation		2,032,480	1,405,885	915,851	684,603
Allocation of net income for the period					
Net income for the period after taxation		2,032,480	1,405,885		
Income already paid on units redeemed		-	-		
		2,032,480	1,405,885		
Accounting income available for distribution					
- Relating to capital gains		-	-		
- Excluding capital gains		2,032,480	1,405,885		
		2,032,480	1,405,885		

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN ROZANA AMDANI FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Six months period ended December 31,		Quarter ended December 31,	
	2021	2020	2021	2020
	----- (Rupees in '000) -----			
Net income for the period after taxation	2,032,480	1,405,885	915,851	684,603
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>2,032,480</u>	<u>1,405,885</u>	<u>915,851</u>	<u>684,603</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ROZANA AMDANI FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	74,704,297	-	74,704,297	53,350,947	-	53,350,947
Issuance of 1,098,802,520 units (2020: 1,065,279,703 units)						
- Capital value (at net asset value per unit at the beginning of the period)	54,940,126	-	54,940,126	53,263,985	-	53,263,985
- Element of income	-	-	-	-	-	-
Total proceeds on issuance of units	54,940,126	-	54,940,126	53,263,985	-	53,263,985
Redemption of 1,543,903,977 units (2020: 1,192,633,807 units)						
- Capital value (at net asset value per unit at the beginning of the period)	77,195,199	-	77,195,199	59,631,690	-	59,631,690
- Element of loss	-	-	-	-	-	-
Total payments on redemption of units	77,195,199	-	77,195,199	59,631,690	-	59,631,690
Total comprehensive income for the period	-	2,032,480	2,032,480	-	1,405,885	1,405,885
Distribution during the period *	-	(2,032,480)	(2,032,480)	-	(1,405,885)	(1,405,885)
Net income for the period less distribution	-	-	-	-	-	-
Net assets at the end of the period	52,449,224	-	52,449,224	46,983,242	-	46,983,242
Undistributed income brought forward						
- Realised income	-	-	-	-	-	-
- Unrealised income	-	-	-	-	-	-
Accounting income available for distribution						
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	2,032,480	-	2,032,480	1,405,885	-	1,405,885
Distribution during the period *	(2,032,480)	-	(2,032,480)	(1,405,885)	-	(1,405,885)
Undistributed income carried forward	-	-	-	-	-	-
Undistributed income carried forward						
- Realised income	-	-	-	-	-	-
- Unrealised income	-	-	-	-	-	-
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			50.0000			50.0000
Net asset value per unit at the end of the period			50.0000			50.0000

* Meezan Rozana Amdani Fund is required to distribute dividend on a daily basis on each business day. The cumulative distribution per unit for the six months period ended December 31, 2021 amounted to Rs. 1.9714 (December 31, 2020: Rs. 1.5735) per unit.

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ROZANA AMDANI FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021



	Note	Six months period ended	
		December 31, 2021	December 31, 2020
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		2,032,480	1,405,885
Adjustments for:			
Amortisation of preliminary expenses and floatation costs		101	100
		<u>2,032,581</u>	<u>1,405,985</u>
Decrease / (increase) in assets			
Investments - net		2,415,056	4,357,956
Deposits and prepayments		94	86
Accrued profit		(20,866)	64,937
		<u>2,394,284</u>	<u>4,422,979</u>
Increase / (decrease) in liabilities			
Payable to AI Meezan Investment Management Limited - Management Company		5,833	(8,950)
Payable to Central Depository Company of Pakistan Limited - Trustee		(1,197)	(559)
Payable to the Securities and Exchange Commission of Pakistan		(3,853)	(2,157)
Accrued expenses and other liabilities		(136,772)	18,074
		<u>(135,989)</u>	<u>6,408</u>
Net cash generated from operating activities		<u>4,290,876</u>	<u>5,835,372</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units		55,227,079	53,320,266
Payments against redemption and conversion of units		(77,423,318)	(60,121,248)
Dividend paid		(2,017,824)	(1,403,572)
Net cash used in financing activities		<u>(24,214,063)</u>	<u>(8,204,554)</u>
Net decrease in cash and cash equivalents during the period		<u>(19,923,187)</u>	<u>(2,369,182)</u>
Cash and cash equivalents at the beginning of the period		68,613,167	38,829,879
Cash and cash equivalents at the end of the period	5.2	<u>48,689,980</u>	<u>36,460,697</u>

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

For AI Meezan Investment Management Limited
(Management Company)

 Chief Executive

 Chief Financial Officer

 Director

MEEZAN ROZANA AMDANI FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Rozana Amdani Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed under the Trust Act, 1882 on October 29, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on October 18, 2018 under 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 Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 16, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The investment objective of the Fund is to meet liquidity needs of investors by providing investors a daily payout through investment in Shariah Compliant money market instruments. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund is an open-end Shariah Compliant Money Market Scheme and has the following specific features:

- (a) Dividend will be distributed to the entitled unit holders on a daily basis (i.e. each business day); and
- (b) Daily dividend received by the unit holders shall be reinvested.

By distributing dividend on a daily basis, the Management Company is required to ensure that total distribution in an accounting period accumulates to an amount that is required under the tax laws and other regulations in force.

1.4 Units 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 is listed on the Pakistan Stock Exchange Limited.

1.5 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 27, 2021 (2020: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: 'AM1' dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA+(f) by VIS Credit Rating Company Limited dated December 27, 2021 (2020: AA+(f) dated January 12, 2021).

1.6 The 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

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Balances with banks in:			
Savings accounts	5.1	42,489,936	56,743,123
Current accounts		44	44
		42,489,980	56,743,167

- 5.1 This includes balances maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.50% (June 30, 2021: 2.50%) per annum. Other savings accounts of the Fund have expected profit rates ranging from 2.25% to 11.75% (June 30, 2021: 2.05% to 7.60%) per annum.

	Note	December 31, 2021 (Unaudited) (Rupees in '000)	December 31, 2020 (Unaudited) (Rupees in '000)
5.2 Cash and cash equivalents			
Balances with banks	5	42,489,980	28,216,551
Term deposit receipts having original maturity of three months or less	6.3	6,200,000	6,441,056
Bai Muajjal receivable	6.4	-	1,803,090
		<u>48,689,980</u>	<u>36,460,697</u>

		December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited) (Rupees in '000)
--	--	---	---

6. INVESTMENTS

At fair value through profit or loss

Commercial papers	6.1	2,916,043	2,281,052
Corporate sukuk certificates	6.2	525,000	675,000
Term deposit receipts	6.3	6,200,000	11,870,000
Bai Muajjal receivable	6.4	-	2,900,047
		<u>9,641,043</u>	<u>17,726,099</u>

6.1 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2021	Purchased during the period	Sold / matured during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to	
			(Number of certificates)			(Rupees in '000)		Net assets of the Fund	Total market value of investments	%	
K-Electric Limited CP-15 (A- 1+, PACRA)	September 02, 2021	6 months KIBOR plus base rate of 0.60%	675	-	675	-	-	-	-	-	-
K-Electric Limited CP-16 (A- 1+, PACRA)	September 16, 2021	6 months KIBOR plus base rate of 0.60%	525	-	525	-	-	-	-	-	-
K-Electric Limited CP-17 (A- 1+, VIS)	October 06, 2021	6 months KIBOR plus base rate of 0.55%	525	-	525	-	-	-	-	-	-
K-Electric Limited CP-18 (A- 1+, VIS)	October 19, 2021	6 months KIBOR plus base rate of 0.55%	600	-	600	-	-	-	-	-	-
K-Electric Limited CP-19 (A- 1+, VIS)	January 12, 2022	6 months KIBOR plus base rate of 0.45%	-	375	-	375	374,120	374,120	-	0.71%	3.88%
K-Electric Limited CP-20 (A- 1+, VIS)	January 27, 2022	6 months KIBOR plus base rate of 0.45%	-	675	-	675	671,280	671,280	-	1.28%	6.96%
K-Electric Limited CP-22 (A- 1+, PACRA)	April 07, 2022	6 months KIBOR plus base rate of 0.50%	-	675	-	675	660,262	660,262	-	1.26%	6.85%

Name of the security	Maturity date	Profit rate	As at July 1, 2021	Purchased during the period	Sold / matured during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to	
			(Number of certificates)			(Rupees in '000)				Net assets of the Fund	Total market value of investments
K-Electric Limited CP-23 (A-1+, VIS)	May 04, 2022	6 months KIBOR plus base rate of 0.6%	-	750	-	750	727,277	727,277	-	1.39%	7.54%
K-Electric Limited CP-24 (A-1+, VIS)	May 16, 2022	6 months KIBOR plus base rate of 0.6%	-	500	-	500	483,104	483,104	-	0.92%	5.01%
Total as at December 31, 2021							<u>2,916,043</u>	<u>2,916,043</u>		<u>5.56%</u>	<u>30.23%</u>
Total as at June 30, 2021							<u>2,281,052</u>	<u>2,281,052</u>		<u>3.05%</u>	<u>12.87%</u>

6.1.1 The nominal value of these commercial papers is Rs 1,000,000 each and these are redeemable at maturity.

6.2 Corporate sukuk certificates

Name of the security	Maturity date	Profit rate	As at July 1, 2021	Purchased during the period	Sold / redeemed during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to	
			(Number of certificates)			(Rupees in '000)				Net assets of the Fund	Total market value of investments
The Hub Power Company Limited IV (A-1+, PACRA)	November 05, 2021	6 months KIBOR plus base rate of 1.10%	6,750	-	6,750	-	-	-	-	-	-
The Hub Power Company Limited VII (AA+, PACRA)	May 02, 2022	6 months KIBOR plus base rate of 0.80%	-	5,250	-	5,250	525,000	525,000	-	1.00%	5.45%
Total as at December 31, 2021							<u>525,000</u>	<u>525,000</u>		<u>1.00%</u>	<u>5.45%</u>
Total as at June 30, 2021							<u>675,000</u>	<u>675,000</u>		<u>0.90%</u>	<u>3.81%</u>

6.2.1 The nominal value of these sukuk certificates is Rs 100,000 each. The profit payments and principal redemptions of these sukuk certificates are receivable at maturity.

6.3 Term deposit receipts

Name of the bank	Maturity date	Profit rate	As at July 1, 2021	Placed during the period	Matured during the period	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to		
			(Rupees in '000)			Net assets of the Fund	Total market value of investments				
United Bank Limited - Ameen	July 5, 2021	7.00%	4,300,000	-	4,300,000	-	-	-	-	-	
Meezan Bank Limited (related party)	August 2, 2021	7.10%	2,800,000	-	2,800,000	-	-	-	-	-	
Meezan Bank Limited (related party)	August 2, 2021	7.10%	750,000	-	750,000	-	-	-	-	-	
Meezan Bank Limited (related party)	August 2, 2021	7.10%	500,000	-	500,000	-	-	-	-	-	
Meezan Bank Limited (related party)	August 2, 2021	7.10%	950,000	-	950,000	-	-	-	-	-	
Askari Bank Limited	September 1, 2021	7.15%	2,570,000	-	2,570,000	-	-	-	-	-	
United Bank Limited - Ameen	August 9, 2021	6.80%	-	4,300,000	4,300,000	-	-	-	-	-	
United Bank Limited - Ameen	September 9, 2021	6.80%	-	4,300,000	4,300,000	-	-	-	-	-	
Askari Bank Limited	December 1, 2021	7.15%	-	1,500,000	1,500,000	-	-	-	-	-	
United Bank Limited - Ameen	December 2, 2021	8.35%	-	4,500,000	4,500,000	-	-	-	-	-	
Meezan Bank Limited (related party)	December 3, 2021	7.46%	-	4,500,000	4,500,000	-	-	-	-	-	
United Bank Limited - Ameen	October 8, 2021	7.00%	-	4,300,000	4,300,000	-	-	-	-	-	
United Bank Limited - Ameen	November 8, 2021	7.00%	-	4,300,000	4,300,000	-	-	-	-	-	
The Bank of Punjab	March 15, 2022	11.25%	-	4,200,000	-	4,200,000	4,200,000	-	8.01%	43.56%	
United Bank Limited - Ameen	January 31, 2022	11.00%	-	2,000,000	-	2,000,000	2,000,000	-	3.81%	20.74%	
Total as at December 31, 2021							<u>6,200,000</u>	<u>6,200,000</u>		<u>11.82%</u>	<u>64.30%</u>
Total as at June 30, 2021							<u>11,870,000</u>	<u>11,870,000</u>		<u>15.89%</u>	<u>66.97%</u>

6.3.1 The profit payments and principal redemptions of these term deposit receipts are receivable at maturity.

6.4 Bai Muajjal receivable

Name of the counterparty	Maturity date	Profit rate	Total transaction Price	Total deferred income	Accrued profit for the period	Carrying value as at December 31, 2021	Percentage in relation to	
							Net assets of the Fund	Total market value of investments
						(Rupees in '000)		%
Samba Bank Limited (AA, VIS)	December 15, 2021	7.25%	444,735	14,046	14,046	-	-	-
Samba Bank Limited (AA, VIS)	December 15, 2021	7.25%	281,653	8,895	8,895	-	-	-
Samba Bank Limited (AA, VIS)	December 15, 2021	7.25%	445,118	13,704	13,704	-	-	-
Samba Bank Limited (AA, VIS)	December 15, 2021	7.25%	281,910	8,679	8,679	-	-	-
Samba Bank Limited (AA, VIS)	December 15, 2021	7.25%	445,208	13,618	13,618	-	-	-
Samba Bank Limited (AA, VIS)	December 15, 2021	7.25%	281,982	8,626	8,626	-	-	-
Samba Bank Limited (AA, VIS)	December 15, 2021	7.25%	445,298	13,533	13,533	-	-	-
Samba Bank Limited (AA, VIS)	December 15, 2021	7.25%	282,039	8,571	8,571	-	-	-
Samba Bank Limited (AA, VIS)	December 15, 2021	7.25%	445,410	13,448	13,448	-	-	-
Samba Bank Limited (AA, VIS)	December 15, 2021	7.25%	282,110	8,517	8,517	-	-	-
Samba Bank Limited (AA, VIS)	December 15, 2021	7.25%	247,988	6,995	6,995	-	-	-
Pak Brunei Investment Company Limited (AA+, VIS)	December 17, 2021	7.60%	442,969	16,510	15,588	-	-	-
Pak Brunei Investment Company Limited (AA+, VIS)	December 17, 2021	7.60%	280,520	10,455	9,871	-	-	-
Pak Brunei Investment Company Limited (AA+, VIS)	December 17, 2021	7.60%	443,067	16,421	15,591	-	-	-
Pak Brunei Investment Company Limited (AA+, VIS)	December 17, 2021	7.60%	280,584	10,399	9,873	-	-	-
Pak Brunei Investment Company Limited (AA+, VIS)	December 17, 2021	7.60%	443,165	16,333	15,595	-	-	-
Pak Brunei Investment Company Limited (AA+, VIS)	December 17, 2021	7.60%	280,647	10,343	9,876	-	-	-
Pak Brunei Investment Company Limited (AA+, VIS)	December 17, 2021	7.60%	443,262	16,244	15,598	-	-	-
Pak Brunei Investment Company Limited (AA+, VIS)	December 17, 2021	7.60%	280,711	10,287	9,878	-	-	-
Pak Kuwait Investment Company Limited (AAA, PACRA)	December 15, 2021	7.15%	447,154	11,737	11,737	-	-	-
Pak Kuwait Investment Company Limited (AAA, PACRA)	December 15, 2021	7.15%	447,244	11,652	11,652	-	-	-
Pak Kuwait Investment Company Limited (AAA, PACRA)	December 15, 2021	7.15%	283,304	7,381	7,381	-	-	-
Pak Kuwait Investment Company Limited (AAA, PACRA)	December 15, 2021	7.15%	447,334	11,567	11,567	-	-	-
Pak Kuwait Investment Company Limited (AAA, PACRA)	December 15, 2021	7.15%	283,362	7,327	7,327	-	-	-
Pak Kuwait Investment Company Limited (AAA, PACRA)	December 15, 2021	7.15%	447,424	11,482	11,482	-	-	-
Pak Kuwait Investment Company Limited (AAA, PACRA)	December 15, 2021	7.15%	283,447	7,274	7,274	-	-	-
Pak Kuwait Investment Company Limited (AAA, PACRA)	December 15, 2021	7.15%	447,840	11,141	11,141	-	-	-
Pak Kuwait Investment Company Limited (AAA, PACRA)	December 15, 2021	7.15%	283,676	7,057	7,057	-	-	-
Pak Kuwait Investment Company Limited (AAA, PACRA)	December 15, 2021	7.15%	447,919	11,056	11,056	-	-	-
Pak Kuwait Investment Company Limited (AAA, PACRA)	December 15, 2021	7.15%	148,826	3,673	3,673	-	-	-
Total as at December 31, 2021						321,850	-	-
Total as at June 30, 2021						605,383	2,900,047	3.88%

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	December 31, 2021	June 30, 2021
		(Unaudited)	(Audited)
		(Rupees in '000)	
Remuneration payable	7.1	1,043	-
Sindh Sales Tax payable on remuneration of the Management Company		136	-
Selling and marketing expenses payable	7.2	4,654	-
		<u>5,833</u>	<u>-</u>

7.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit.

Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the following rates during the period ended December 31, 2021:

Rate applicable from July 6, 2021 to September 16, 2021	Rate applicable from September 17, 2021 to December 31, 2021
0.20% of the average annual net assets	0.15% of the average annual net assets

However, no remuneration was charged for the period from July 1, 2021 to July 5, 2021. The remuneration is payable to the Management Company monthly in arrears.

- 7.2 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the following rates during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred:

Rate applicable from August 1, 2021 to September 16, 2021	Rate applicable from October 1, 2021 to December 31, 2021
0.10% of the average annual net assets	0.03% of the average annual net assets

However, no expense was charged to the Fund for the period from July 1, 2021 to July 31, 2021 and for the period from September 17, 2021 to September 30, 2021.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the period, Trustee has revised its tariff as follows:

Previous Tariff (Flat Rate)	Revised Tariff (Flat Rate)
0.065% per annum of net assets	0.055% per annum of net assets

Accordingly, the Fund has charged trustee fee at the rate 0.055 percent per annum of net assets during the period with effect from October 1, 2021.

9. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31,	June 30,
		2021 (Unaudited)	2021 (Audited)
		(Rupees in '000)	
Auditors' remuneration payable		284	280
Brokerage payable		3	163
Shariah advisor fee payable		540	538
Withholding tax payable		26,803	21,675
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	-	141,199
CDS charges payable		1,829	1,679
Other payable		49	310
Zakat payable		96	532
		29,604	166,376

- 9.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Fund, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

10. CONTINGENCIES AND COMMITMENTS

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

11. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2021 based on current period results is 0.33% (December 31, 2020: 0.77%) which includes 0.05% (December 31, 2020: 0.18%) representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a 'Money Market Scheme'.

12. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	1,043	-
Sindh Sales Tax payable on remuneration of the Management Company	136	-
Selling and marketing expenses payable	4,654	-
Investment of 504,818 units (June 30, 2021: 19,269,396 units)	25,241	9,634,670
Meezan Bank Limited		
Balances with bank	155,708	72,245
Profit receivable on savings accounts	220	312
Term deposit receipt outstanding	-	5,000,000
Profit receivable on term deposit receipts	-	4,085
Shariah advisor fee payable	540	538



	December 31, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	2,086	3,145
Sindh Sales Tax payable on remuneration of the Trustee	271	409
Security deposit	100	100
CDS charges payable	1,829	1,679
Meezan Strategic Allocation Fund - MSAP - I		
Investment of nil units (June 30, 2021: 3,548,805 units)	-	177,440
Meezan Strategic Allocation Fund - MSAP - II		
Investment of nil units (June 30, 2021: 2,266,119 units)	-	113,306
Meezan Strategic Allocation Fund - MSAP - III		
Investment of nil units (June 30, 2021: 2,609,764 units)	-	130,488
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of nil units (June 30, 2021: 1,081,951 units)	-	54,098
Meezan Strategic Allocation Fund - MSAP - V		
Investment of nil units (June 30, 2021: 302,398 units)	-	15,120
Meezan Strategic Asset Allocation Fund - MCPP - III		
Investment of nil units (June 30, 2021: 4,314,182 units)	-	215,709
Meezan Strategic Allocation Fund -II - MCPP - IV		
Investment of nil units (June 30, 2021: 8,383,770 units)	-	419,189
Meezan Strategic Allocation Fund-II - MCPP - V		
Investment of nil units (June 30, 2021: 1,583,794 units)	-	79,190
Meezan Strategic Allocation Fund II- MCPP - VI		
Investment of nil units (June 30, 2021: 1,863,801 units)	-	93,190
Meezan Strategic Allocation Fund II- MCPP - VII		
Investment of nil units (June 30, 2021: 1,916,378 units)	-	95,819
Meezan Strategic Allocation Fund II- MCPP - VIII		
Investment of nil units (June 30, 2021: 694,122 units)	-	34,706
Meezan Strategic Allocation Fund III- MCPP - IX		
Investment of nil units (June 30, 2021: 1,096,628 units)	-	54,831
Unit holders holding 10 percent or more of the Fund		
Investment of 107,270,910 units (June 30, 2021: 161,063,788 units)	5,363,546	8,053,189
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Investment of 443,584 units (June 30, 2021: 426,440 units)	22,179	21,322
Directors and Executives of the Management Company		
Investment of 814,160 units (June 30, 2021: 540,520 units)	40,708	27,026

Transactions during the period	Six months period ended	
	December 31, 2021 (Unaudited)	December 31, 2020 (Unaudited)
	(Rupees in '000)	
AI Meezan Investment Management Company Limited - Management Company		
Remuneration of the Management Company	43,697	44,996
Sindh Sales Tax on remuneration of the Management Company	5,681	5,849
Selling and marketing expenses	10,538	68,284
Units issued: 54,640,891 units (December 31, 2020: 21,593,021 units)	2,732,045	1,079,651
Units redeemed: 73,405,469 units (December 31, 2020: 24,090,000 units)	3,670,273	1,204,500
Dividend paid	33,502	53,543
Meezan Bank Limited		
Profit on savings accounts	1,926	4,636
Term deposit receipt placed	4,500,000	2,400
Term deposit receipt matured	9,500,000	-
Shariah advisor fee	542	543
Profit on term deposit receipts	53,197	750
Central Depository Company of Pakistan Limited - The Trustee		
Remuneration of the Trustee	15,879	14,624
Sindh Sales Tax on remuneration of the Trustee	2,064	1,901
CDS charges	1,136	2,473
Meezan Strategic Allocation Fund - MSAP - I		
Units issued: 65,728 units (December 31, 2020: nil units)	3,286	-
Units redeemed: 3,614,533 units (December 31, 2020: nil units)	180,727	-
Dividend paid	3,286	-
Meezan Strategic Allocation Fund - MSAP - II		
Units issued: 41,413 units (December 31, 2020: nil units)	2,071	-
Units redeemed: 2,307,532 units (December 31, 2020: nil units)	115,377	-
Dividend paid	2,071	-
Meezan Strategic Allocation Fund - MSAP - III		
Units issued: 48,418 units (December 31, 2020: nil units)	2,421	-
Units redeemed: 2,658,182 units (December 31, 2020: nil units)	132,909	-
Dividend paid	2,421	-
Meezan Strategic Allocation Fund - MSAP - IV		
Units issued: 17,598 units (December 31, 2020: nil units)	880	-
Units redeemed: 1,099,549 units (December 31, 2020: nil units)	54,977	-
Dividend paid	880	-
Meezan Strategic Allocation Fund - MSAP - V		
Units issued: 5,753 units (December 31, 2020: nil units)	288	-
Units redeemed: 308,151 units (December 31, 2020: nil units)	15,408	-
Dividend paid	288	-
Meezan Strategic Asset Allocation Fund - MCPP-III		
Units issued: 583,838 units (December 31, 2020: 808,805 units)	29,192	40,440
Units redeemed: 4,898,020 units (December 31, 2020: 15,400 units)	244,901	770
Dividend paid	7,192	440

Transactions during the period	Six months period ended	
	December 31, 2021 (Unaudited)	December 31, 2020 (Unaudited)
	(Rupees in '000)	
Meezan Strategic Allocation Fund II- MCPP - IV		
Units issued: 1,088,858 units (December 31, 2020: 6,256,116 units)	54,443	312,806
Units redeemed: 9,472,628 units (December 31, 2020: 3,457,360 units)	473,631	172,868
Dividend paid	14,943	2,329
Meezan Strategic Allocation Fund II- MCPP - V		
Units issued: 233,496 units (December 31, 2020: 3,926,356 units)	11,675	196,318
Units redeemed: 1,817,290 units (December 31, 2020: 1,276,740 units)	90,865	63,837
Dividend paid	2,675	3,565
Meezan Strategic Allocation Fund II- MCPP - VI		
Units issued: 60,288 units (December 31, 2020: 505,549 units)	3,014	25,277
Units redeemed: 1,924,089 units (December 31, 2020: nil units)	96,204	-
Dividend paid	3,014	277
Meezan Strategic Allocation Fund II- MCPP - VII		
Units issued: 235,864 units (December 31, 2020: 404,439 units)	11,793	20,222
Units redeemed: 2,152,242 units (December 31, 2020: nil units)	107,612	-
Dividend paid	3,259	222
Meezan Strategic Allocation Fund II- MCPP - VIII		
Units issued: 8,804 units (December 31, 2020: 202,219 units)	440	10,111
Units redeemed: 702,926 units (December 31, 2020: nil units)	35,146	-
Dividend paid	440	111
Meezan Strategic Allocation Fund III- MCPP - IX		
Units issued: 97,908 units (December 31, 2020: 365,584 units)	4,895	18,279
Units redeemed: 1,194,536 units (December 31, 2020: 60,109 units)	59,727	3,005
Dividend paid	1,895	179
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Units issued: 17,144 units (December 31, 2020: 412,787 units)	857	20,639
Dividend paid	857	439
Unit holders holding 10 percent or more of the Fund		
Units issued: 3,507,477 units (December 31, 2020: nil units)	175,374	-
Dividend paid	175,374	-
Directors and Executives of the Management Company		
Units issued: 1,158,010 units (December 31, 2020: 324,588 units)	57,900	16,229
Units redeemed: 884,370 units (December 31, 2020: 221,759 units)	44,219	11,088
Dividend paid	1,050	270

13. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these condensed interim financial statements.

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

14. FAIR VALUE MEASUREMENT

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

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

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

14.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

ASSETS	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Corporate sukuk certificates *	-	525,000	-	525,000
Commercial papers **	-	2,916,043	-	2,916,043
Term deposit receipts *	-	6,200,000	-	6,200,000
	-	9,641,043	-	9,641,043

ASSETS	As at June 30, 2021			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Corporate sukuk certificates *	-	675,000	-	675,000
Commercial papers **	-	2,281,052	-	2,281,052
Term deposit receipts *	-	11,870,000	-	11,870,000
Bai Muajjal receivable **	-	2,900,047	-	2,900,047
	-	17,726,099	-	17,726,099

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counterparties which have high credit rating.

** The valuation of commercial papers and bai muajjal receivable has been carried out based on amortisation to their fair value / sale price as per the guidelines given in Circular 33 of 2012 since the residual maturity of these investments is less than six months and are placed with counterparties which have high credit rating.



15. GENERAL

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

16. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN

FINANCIAL PLANNING FUND OF FUNDS (MFPF)

Meezan Financial Planning Fund of Funds invests in Shariah Compliant Fixed Income and Equity Mutual Funds in line with the risk tolerance of the investor and in doing so, it strives to generate returns on investment aligned with respective allocation plans.



**ASSETS
UNDER
MUTUAL FUND
MANAGEMENT
IN
PAKISTAN CROSSED**



**TRILLION
MARK**

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road, Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN FINANCIAL PLANNING FUND OF FUNDS

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 Meezan Financial Planning Fund of Funds (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Financial Planning Fund of Funds** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
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MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021

(Unaudited)						
As at December 31, 2021						
	Aggressive	Moderate	Conservative	MAAP-I	Total	
Note	(Rupees in '000)					
Assets						
Balances with banks	5	1,487	1,273	1,405	703	4,868
Investments	6	336,778	119,026	227,531	101,968	785,303
Receivable against conversion of units		20	149	361	-	530
Profit receivable on savings accounts with banks		8	39	2	11	60
Total assets		<u>338,293</u>	<u>120,487</u>	<u>229,299</u>	<u>102,682</u>	<u>790,761</u>
Liabilities						
Payable to AI Meezan Investment Management Limited - Management Company	7	42	20	45	18	125
Payable to Central Depository Company of Pakistan Limited - Trustee		27	9	24	13	73
Payable to Meezan Bank Limited		1	-	1	-	2
Payable to the Securities and Exchange Commission of Pakistan		35	16	23	16	90
Payable against redemption and conversion of units		323	648	1,375	-	2,346
Payable against purchase of investments		-	-	-	15	15
Accrued expenses and other liabilities	8	849	1,194	830	3,989	6,862
Total liabilities		<u>1,277</u>	<u>1,887</u>	<u>2,298</u>	<u>4,051</u>	<u>9,513</u>
Net assets		<u>337,016</u>	<u>118,600</u>	<u>227,001</u>	<u>98,631</u>	<u>781,248</u>
Contingencies and commitments	9					
Unit holders' fund (as per statement attached)		<u>337,016</u>	<u>118,600</u>	<u>227,001</u>	<u>98,631</u>	<u>781,248</u>
----- (Number of units) -----						
Number of units in issue		<u>4,289,632</u>	<u>1,619,424</u>	<u>3,229,522</u>	<u>1,508,248</u>	
----- (Rupees) -----						
Net asset value per unit		<u>78.5653</u>	<u>73.2362</u>	<u>70.2894</u>	<u>65.3944</u>	

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021**

----- (Audited) -----						
As at June 30, 2021						
	Aggressive	Moderate	Conservative	MAAP-I	Total	
Note	----- (Rupees in '000) -----					
Assets						
Balances with banks	5	6,715	265	1,158	503	8,641
Investments	6	347,785	150,037	226,644	168,374	892,840
Receivable against conversion of units		19	116	241	-	376
Profit receivable on savings accounts with banks		4	17	32	4	57
Total assets		<u>354,523</u>	<u>150,435</u>	<u>228,075</u>	<u>168,881</u>	<u>901,914</u>
Liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	7	54	56	43	16	169
Payable to Central Depository Company of Pakistan Limited - Trustee		26	8	23	11	68
Payable to Meezan Bank Limited		16	11	5	-	32
Payable to the Securities and Exchange Commission of Pakistan		64	27	33	52	176
Payable against redemption and conversion of units		378	518	930	-	1,826
Accrued expenses and other liabilities	8	6,082	3,831	2,689	12,557	25,159
Total liabilities		<u>6,620</u>	<u>4,451</u>	<u>3,723</u>	<u>12,636</u>	<u>27,430</u>
Net assets		<u>347,903</u>	<u>145,984</u>	<u>224,352</u>	<u>156,245</u>	<u>874,484</u>
Contingencies and commitments	9					
Unit holders' fund (as per statement attached)		<u>347,903</u>	<u>145,984</u>	<u>224,352</u>	<u>156,245</u>	<u>874,484</u>
----- (Number of units) -----						
Number of units in issue		<u>4,433,576</u>	<u>2,042,610</u>	<u>3,278,232</u>	<u>2,456,818</u>	
----- (Rupees) -----						
Net asset value per unit		<u>78.4701</u>	<u>71.4694</u>	<u>68.4368</u>	<u>63.5964</u>	

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021**

Six months period ended December 31, 2021					
	Aggressive	Moderate	Conservative	MAAP-I	Total
Note ----- (Rupees in '000) -----					
Income					
Net realised gain / (loss) on sale of investments	165	(109)	277	(877)	(544)
Dividend income	-	-	-	742	742
Profit on savings accounts with banks	40	62	53	11	166
	<u>205</u>	<u>(47)</u>	<u>330</u>	<u>(124)</u>	<u>364</u>
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets fair value through profit or loss'	6.1 (4,171)	97	4,109	(3,961)	(3,926)
Total (loss) / income	<u>(3,966)</u>	<u>50</u>	<u>4,439</u>	<u>(4,085)</u>	<u>(3,562)</u>
Expenses					
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1 20	18	20	7	65
Sindh Sales Tax on remuneration of the Management Company	3	2	3	1	9
Allocated expenses	7.2 191	90	125	87	493
Remuneration of Central Depository Company of Pakistan Limited - Trustee	121	57	80	55	313
Sindh Sales Tax on remuneration of the Trustee	16	7	10	7	40
Annual fee to the Securities and Exchange Commission of Pakistan	35	16	23	16	90
Auditors' remuneration	150	70	96	77	393
Fees and subscription	63	30	41	29	163
Legal and professional charges	72	41	39	33	185
Bank and settlement charges	5	2	1	4	12
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)	8.1 (5,233)	(2,673)	(1,963)	(8,530)	(18,399)
Total expenses	<u>(4,557)</u>	<u>(2,340)</u>	<u>(1,525)</u>	<u>(8,214)</u>	<u>(16,636)</u>
Net income for the period before taxation	<u>591</u>	<u>2,390</u>	<u>5,964</u>	<u>4,129</u>	<u>13,074</u>
Taxation	12 -	-	-	-	-
Net income for the period after taxation	<u>591</u>	<u>2,390</u>	<u>5,964</u>	<u>4,129</u>	<u>13,074</u>
Allocation of net income for the period					
Net income for the period after taxation	591	2,390	5,964	4,129	13,074
Income already paid on units redeemed	(303)	(3)	(558)	(805)	(1,669)
	<u>288</u>	<u>2,387</u>	<u>5,406</u>	<u>3,324</u>	<u>11,405</u>
Accounting income available for distribution					
- Relating to capital gains	-	-	4,386	-	4,386
- Excluding capital gains	288	2,387	1,020	3,324	7,019
	<u>288</u>	<u>2,387</u>	<u>5,406</u>	<u>3,324</u>	<u>11,405</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021**

Six months period ended December 31, 2020					
	Aggressive	Moderate	Conservative	MAAP-I	Total
Note ----- (Rupees in '000) -----					
Income					
Net realised gain on sale of investments	5,177	2,603	1,964	28,236	37,980
Profit on savings accounts with banks	65	68	77	20	230
	<u>5,242</u>	<u>2,671</u>	<u>2,041</u>	<u>28,256</u>	<u>38,210</u>
Unrealised appreciation on re-measurement of investments classified as 'financial assets fair value through profit or loss'	6.1	<u>52,945</u>	<u>15,334</u>	<u>11,217</u>	<u>35,215</u>
Total income	<u>58,187</u>	<u>18,005</u>	<u>13,258</u>	<u>63,471</u>	<u>152,921</u>
Expenses					
Remuneration of Al Meezan Investment Management Limited - Management Company	7.1	<u>24</u>	<u>21</u>	<u>33</u>	<u>6</u>
Sindh Sales Tax on remuneration of the Management Company		3	3	4	1
Allocated expenses	7.2	<u>157</u>	<u>67</u>	<u>76</u>	<u>175</u>
Remuneration of Central Depository Company of Pakistan Limited - Trustee		110	47	53	122
Sindh Sales Tax on remuneration of the Trustee		14	6	7	16
Annual fee to the Securities and Exchange Commission of Pakistan		31	13	15	35
Auditors' remuneration		120	52	59	137
Fees and subscription		53	23	27	61
Provision for Sindh Workers' Welfare Fund (SWWF)		1,154	355	260	1,258
Total expenses		<u>1,666</u>	<u>587</u>	<u>534</u>	<u>1,811</u>
Net income for the period before taxation		<u>56,521</u>	<u>17,418</u>	<u>12,724</u>	<u>61,660</u>
Taxation	12	-	-	-	-
Net income for the period after taxation		<u>56,521</u>	<u>17,418</u>	<u>12,724</u>	<u>61,660</u>
Allocation of net income for the period					
Net income for the period after taxation		56,521	17,418	12,724	61,660
Income already paid on units redeemed		<u>(4,977)</u>	<u>(1,894)</u>	<u>(1,394)</u>	<u>(26,975)</u>
		<u>51,544</u>	<u>15,524</u>	<u>11,330</u>	<u>34,685</u>
Accounting income available for distribution					
- Relating to capital gains		<u>51,544</u>	<u>15,524</u>	<u>11,330</u>	<u>34,685</u>
- Excluding capital gains		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>51,544</u>	<u>15,524</u>	<u>11,330</u>	<u>34,685</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021**

Quarter ended December 31, 2021						
	Aggressive	Moderate	Conservative	MAAP-I	Total	
Note ----- (Rupees in '000) -----						
Income						
Net realised gain / (loss) on sale of investments	19	(204)	169	(1,759)	(1,775)	
Dividend income	-	-	-	742	742	
Profit on savings accounts with banks	18	36	19	7	80	
	37	(168)	188	(1,010)	(953)	
Unrealised appreciation on re-measurement of investments classified as 'financial assets fair value through profit or loss'	1,002	920	2,150	589	4,661	
Total income / (loss)	1,039	752	2,338	(421)	3,708	
Expenses						
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	10	8	8	5	31
Sindh Sales Tax on remuneration of the Management Company		2	1	2	1	6
Allocated expenses	7.2	94	46	61	42	243
Remuneration of Central Depository Company of Pakistan Limited - Trustee		59	29	39	26	153
Sindh Sales Tax on remuneration of the Trustee		8	3	5	3	19
Annual fee to the Securities and Exchange Commission of Pakistan		17	8	11	8	44
Auditors' remuneration		79	38	50	35	202
Fees and subscription		26	12	17	12	67
Legal and professional charges		-	-	-	-	-
Bank and settlement charges		-	-	-	2	2
Total expenses		295	145	193	134	767
Net income / (loss) for the period before taxation		744	607	2,145	(555)	2,941
Taxation	12	-	-	-	-	-
Net income / (loss) for the period after taxation		744	607	2,145	(555)	2,941

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021**

		Quarter ended December 31, 2020					
		Aggressive	Moderate	Conservative	MAAP-I	Total	
Note		(Rupees in '000)					
Income							
	Net realised gain on sale of investments	1,446	1,441	839	24,136	27,862	
	Profit on savings accounts with banks	39	21	52	17	129	
		<u>1,485</u>	<u>1,462</u>	<u>891</u>	<u>24,153</u>	<u>27,991</u>	
	Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets fair value through profit or loss'	17,357	4,494	3,657	(2,075)	23,433	
	Total income	<u>18,842</u>	<u>5,956</u>	<u>4,548</u>	<u>22,078</u>	<u>51,424</u>	
Expenses							
	Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	12	9	24	5	50
	Sindh Sales Tax on remuneration of the Management Company		2	1	3	1	7
	Allocated expenses	7.2	78	33	38	86	235
	Remuneration of Central Depository Company of Pakistan Limited - Trustee		55	23	26	61	165
	Sindh Sales Tax on remuneration of the Trustee		7	3	3	8	21
	Annual fee to the Securities and Exchange Commission of Pakistan		15	6	7	17	45
	Auditors' remuneration		65	28	31	73	197
	Fees and subscription		22	10	12	26	70
	Bank and settlement charges		-	-	-	-	-
	Provision for Sindh Workers' Welfare Fund (SWWF)		372	117	88	436	1,013
	Total expenses		<u>628</u>	<u>230</u>	<u>232</u>	<u>713</u>	<u>1,803</u>
	Net income for the period before taxation		<u>18,214</u>	<u>5,726</u>	<u>4,316</u>	<u>21,365</u>	<u>49,621</u>
	Taxation	14	-	-	-	-	-
	Net income for the period after taxation		<u>18,214</u>	<u>5,726</u>	<u>4,316</u>	<u>21,365</u>	<u>49,621</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021**

Six months period ended December 31, 2021					
Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)					
Net income for the period after taxation	591	2,390	5,964	4,129	13,074
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	591	2,390	5,964	4,129	13,074

Six months period ended December 31, 2020					
Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)					
Net income for the period after taxation	56,521	17,418	12,724	61,660	148,323
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	56,521	17,418	12,724	61,660	148,323

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021**

Quarter ended December 31, 2021					
Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)					
Net income / (loss) for the period after taxation	744	607	2,145	(555)	2,941
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income / (loss) for the period	744	607	2,145	(555)	2,941

Quarter ended December 31, 2020					
Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)					
Net income for the period after taxation	18,214	5,726	4,316	21,365	49,621
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	18,214	5,726	4,316	21,365	49,621

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

	Six months period ended December 31, 2021			Six months period ended December 31, 2021			Six months period ended December 31, 2021			Six months period ended December 31, 2021			Six months period ended December 31, 2021		
	Aggressive			Moderate			Conservative			MAAP-I			Total		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	249,913	97,990	347,903	81,431	64,553	145,984	151,433	72,919	224,352	62,299	93,946	156,245	545,076	329,408	874,484
Issuance of units:															
Aggressive: 472,715 units / Moderate: 779,153 units /															
Conservative: 698,120 units															
- Capital value (at net asset value per unit at the beginning of the period)	37,094	-	37,094	55,686	-	55,686	47,777	-	47,777	-	-	-	140,557	-	140,557
- Element of income	461	-	461	1,013	-	1,013	887	-	887	-	-	-	2,361	-	2,361
Total proceeds on issuance of units	37,555	-	37,555	56,699	-	56,699	48,664	-	48,664	-	-	-	142,918	-	142,918
Redemption of units:															
Aggressive: 616,659 units / Moderate: 1,202,339 units /															
Conservative: 746,830 units / MAAP I: 948,570 units /															
- Capital value (at net asset value per unit at the beginning of the period)	48,389	-	48,389	85,930	-	85,930	51,111	-	51,111	60,326	-	60,326	245,756	-	245,756
- Element of loss	341	303	644	540	3	543	310	558	868	612	805	1,417	1,803	1,669	3,472
Total payments on redemption of units	48,730	303	49,033	86,470	3	86,473	51,421	558	51,979	60,938	805	61,743	247,559	1,669	249,228
Total comprehensive income for the period	-	591	591	-	2,390	2,390	-	5,964	5,964	-	4,129	4,129	-	13,074	13,074
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	591	591	-	2,390	2,390	-	5,964	5,964	-	4,129	4,129	-	13,074	13,074
Net assets at the end of the period	238,738	98,278	337,016	51,660	66,940	118,600	148,676	78,325	227,001	1,361	97,270	98,631	440,435	340,813	781,248
Undistributed income brought forward															
- Realised income	102,556			65,862			73,890			79,635			321,943		
- Unrealised (loss) / income	(4,566)			(1,309)			(971)			14,311			7,465		
	97,990			64,553			72,919			93,946			329,408		
Accounting income available for distribution															
- Relating to capital gains	-			-			4,386			-			4,386		
- Excluding capital gains	288			2,387			1,020			3,324			7,019		
	288			2,387			5,406			3,324			11,405		
Undistributed income carried forward	98,278			66,940			78,325			97,270			340,813		
Undistributed income carried forward															
- Realised income	102,449			66,843			74,216			101,231			344,739		
- Unrealised (loss) / income	(4,171)			97			4,109			(3,961)			(3,926)		
	98,278			66,940			78,325			97,270			340,813		
	Rupees			Rupees			Rupees			Rupees			Rupees		
Net asset value per unit at the beginning of the period	78.4701			71.4694			68.4368			63.5964			65.3944		
Net asset value per unit at the end of the period	78.5653			73.2362			70.2894			65.3944			65.3944		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI-Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2020			Six months period ended December 31, 2020			Six months period ended December 31, 2020			Six months period ended December 31, 2020			Six months period ended December 31, 2020		
	Aggressive			Moderate			Conservative			MAAP-I			Total		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
(Rupees in '000)															
Net assets at the beginning of the period	251,746	30,994	282,740	70,980	47,589	118,569	86,818	57,061	143,879	257,512	60,607	318,119	667,056	196,251	863,307
Issuance of units:															
Aggressive: 886,123 units / Moderate: 529,187 units /															
Conservative: 1,062,782 units															
- Capital value (at net asset value per unit at the beginning of the period)	54,659		54,659	31,301		31,301	64,406		64,406	-		-	150,366	-	150,366
- Element of income	6,585		6,585	3,149		3,149	3,867		3,867	-		-	13,601	-	13,601
Total proceeds on issuance of units	61,244	-	61,244	34,450	-	34,450	68,273	-	68,273	-	-	-	163,967	-	163,967
Redemption of units:															
Aggressive: 1,115,428 units / Moderate: 520,569 units /															
Conservative: 1,027,469 units / MAAP I: 2,917,287 units /															
- Capital value (at net asset value per unit at the beginning of the period)	68,804	-	68,804	30,791	-	30,791	62,266	-	62,266	145,799	-	145,799	307,660	-	307,660
- Element of loss	3,856	4,977	8,833	1,042	1,894	2,936	2,219	1,394	3,613	-	26,975	26,975	7,117	35,240	42,357
Total payments on redemption of units	72,660	4,977	77,637	31,833	1,894	33,727	64,485	1,394	65,879	145,799	26,975	172,774	314,777	35,240	350,017
Total comprehensive income for the period	-	56,521	56,521	-	17,418	17,418	-	12,724	12,724	-	61,660	61,660	-	148,323	148,323
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	56,521	56,521	-	17,418	17,418	-	12,724	12,724	-	61,660	61,660	-	148,323	148,323
Net assets at the end of the period	240,330	82,538	322,868	73,597	63,113	136,710	90,606	68,391	158,997	111,713	95,292	207,005	516,246	309,334	825,580
Undistributed income brought forward															
- Realised income		42,079			50,810			59,029			55,354			207,272	
- Unrealised (loss) / income		(11,085)			(3,221)			(1,968)			5,253			(11,021)	
		30,994			47,589			57,061			60,607			196,251	
Accounting income available for distribution															
- Relating to capital gains		51,544			15,524			11,330			34,685			113,083	
- Excluding capital gains		-			-			-			-			-	
		51,544			15,524			11,330			34,685			113,083	
Undistributed income carried forward		82,538			63,113			68,391			95,292			309,334	
Undistributed income carried forward															
- Realised income		29,593			47,779			57,174			60,077			194,623	
- Unrealised income		52,945			15,334			11,217			35,215			114,711	
		82,538			63,113			68,391			95,292			309,334	
		Rupees			Rupees			Rupees			Rupees				
Net asset value per unit at the beginning of the period		61.6837			59.1490			60.6014			49.9777				
Net asset value per unit at the end of the period		74.1474			67.9068			65.9876			60.0374				

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

Six months period ended December 31, 2021					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
----- (Rupees in '000) -----					
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation	591	2,390	5,964	4,129	13,074
Adjustments for:					
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1 4,171	(97)	(4,109)	3,961	3,926
	4,762	2,293	1,855	8,090	17,000
Decrease / (increase) in assets					
Investments - net	6,836	31,108	3,222	62,445	103,611
Profit receivable on savings accounts with banks	(4)	(22)	30	(7)	(3)
	6,832	31,086	3,252	62,438	103,608
(Decrease) / increase in liabilities					
Payable to AI Meezan Investment Management Limited - Management Company	(12)	(36)	2	2	(44)
Payable to Central Depository Company of Pakistan Limited - Trustee	1	1	1	2	5
Payable to Meezan Bank Limited	(15)	(11)	(4)	-	(30)
Payable to the Securities and Exchange Commission of Pakistan	(29)	(11)	(10)	(36)	(86)
Payable against purchase of investments	-	-	-	15	15
Accrued expenses and other liabilities	(5,233)	(2,637)	(1,859)	(8,568)	(18,297)
	(5,288)	(2,694)	(1,870)	(8,585)	(18,437)
Net cash generated from operating activities	6,306	30,685	3,237	61,943	102,171
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts against issuance and conversion of units	37,554	56,666	48,544	-	142,764
Payments against redemption and conversion of units	(49,088)	(86,343)	(51,534)	(61,743)	(248,708)
Net cash used in financing activities	(11,534)	(29,677)	(2,990)	(61,743)	(105,944)
Net (decrease) / increase in cash and cash equivalents during the period	(5,228)	1,008	247	200	(3,773)
Cash and cash equivalents at the beginning of the period	6,715	265	1,158	503	8,641
Cash and cash equivalents at the end of the period	5 1,487	1,273	1,405	703	4,868

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

		Six months period ended December 31, 2020				
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----						
CASH FLOWS FROM OPERATING ACTIVITIES						
	56,521	17,418	12,724	61,660	148,323	
Net income for the period before taxation						
Adjustments for:						
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'						
6.1	(52,945)	(15,334)	(11,217)	(35,215)	(114,711)	
	3,576	2,084	1,507	26,445	33,612	
Decrease / (increase) in assets						
	17,823	(2,320)	(6,464)	148,115	157,154	
	-	-	-	(699)	(699)	
	5	3	(3)	2	7	
	17,828	(2,317)	(6,467)	147,418	156,462	
Increase / (decrease) in liabilities						
	10	8	27	3	48	
	4	2	1	3	10	
	2	3	-	-	5	
	(30)	(15)	(19)	(39)	(103)	
	-	2,000	7,500	702	10,202	
	860	239	240	976	2,315	
	846	2,237	7,749	1,645	12,477	
Net cash generated from operating activities						
	22,250	2,004	2,789	175,508	202,551	
CASH FLOWS FROM FINANCING ACTIVITIES						
	60,269	34,398	68,273	-	162,940	
	(79,957)	(34,024)	(69,477)	(172,774)	(356,232)	
	(40)	(112)	-	(1,184)	(1,336)	
Net cash (used in) / generated from financing activities						
	(19,728)	262	(1,204)	(173,958)	(194,628)	
Net increase in cash and cash equivalents during the period						
	2,522	2,266	1,585	1,550	7,923	
Cash and cash equivalents at the beginning of the period						
	1,858	2,265	7,687	1,318	13,128	
Cash and cash equivalents at the end of the period						
5	4,380	4,531	9,272	2,868	21,051	

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Financial Planning Fund of Funds (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on July 27, 2012 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 2, 2012 under 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 Fund is registered as a notified entity under the NBFC Regulations issued through S.R.O.1203(I)/2008 on November 21, 2008. The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on September 2, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund has been formed to enable the unit holders to participate in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund is an open-end Shariah compliant Fund of Funds Scheme listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis except for Meezan Asset Allocation Plan-I (MAAP-I) in which the offer of units is discontinued after the end of the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of SECP after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unitholders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund.

1.4 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund. The Fund's property of different types of allocation plans shall be accounted for and maintained separately in the books of accounts, which shall collectively constitute the Fund's property of the Scheme.

1.5 The Management Company has been assigned a quality rating of 'AM1' by VIS dated December 27, 2021 (2020: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: 'AM1' dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.6 The Fund is an open-end Shariah compliant Fund of Funds Scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and Meezan Asset Allocation Plan - I by investing in Shariah compliant income, money market and equity mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans. The management may also invest in other Collective Investments Schemes available to it with prior approval of the SECP. A brief description of the plans are as follows:

Aggressive Allocation Plan (Aggressive)	High risk - Long term investor This plan invests at least 65 percent of its net assets in Shariah Compliant Equity Funds and the remaining portion in Shariah Compliant Fixed Income Funds.
Moderate Allocation Plan (Moderate)	Moderate risk - Medium and long term investor This plan invests at least 45 percent of its net assets in Shariah Compliant Equity Funds and the remaining portion in Shariah Compliant Fixed Income Funds.
Conservative Allocation Plan (Conservative)	Low risk - Medium and short term investor This plan invests at least 20 percent of its net assets in Shariah Compliant Equity Funds and the remaining portion in Shariah Compliant Fixed Income Funds.
Meezan Asset Allocation Plan I (MAAP-I)	Low risk - High return through asset allocation The allocation plan can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two years from the close of the subscription period (i.e. October 20, 2015). Units shall be subject to front end load. Back-end load shall also be charged in case of redemption before the completion of the initial maturity of the plan. During the year ended June 30, 2018, Meezan Asset Allocation Plan-I (MAAP-I) was reopened for investment, after completion of two years. The plan had a revised maturity date of two years from the close of the re-subscription period (i.e. November 24, 2017). However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide its letter No. SCD/AMCW/AMIML/106/2021 dated October 26, 2021, the plan shall mature on November 24, 2022.

Each allocation plan announces separate Net Asset Value which ranks pari passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of the condensed interim financial statements in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5 BALANCES WITH BANKS

----- (Unaudited) -----						
As at December 31, 2021						
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----						
Savings accounts	5.1	1,060	1,273	1,405	703	4,441
Current account		427	-	-	-	427
		<u>1,487</u>	<u>1,273</u>	<u>1,405</u>	<u>703</u>	<u>4,868</u>

----- (Audited) -----						
As at June 30, 2021						
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----						
Savings accounts	5.1	6,288	255	1,148	493	8,184
Current account		427	10	10	10	457
		<u>6,715</u>	<u>265</u>	<u>1,158</u>	<u>503</u>	<u>8,641</u>

5.1 This includes balances maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.50% (June 30, 2021: 2.50%) per annum. Other savings accounts of the Fund have expected profit rates ranging from 2.35% to 10.50% (June 30, 2021: 1.50% to 7.32%) per annum.

6 INVESTMENTS

----- (Unaudited) -----						
As at December 31, 2021						
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----						
At fair value through profit or loss						
Units of open ended mutual funds	6.1	336,778	119,026	227,531	101,968	785,303
		<u>336,778</u>	<u>119,026</u>	<u>227,531</u>	<u>101,968</u>	<u>785,303</u>

----- (Audited) -----						
As at June 30, 2021						
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----						
At fair value through profit or loss						
Units of open ended mutual funds	6.1	347,785	150,037	226,644	168,374	892,840
		<u>347,785</u>	<u>150,037</u>	<u>226,644</u>	<u>168,374</u>	<u>892,840</u>

6.1 Units of open ended mutual funds

Names of the investee funds	As at July 1, 2021	Purchased/ reinvested during the period	Redeemed during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution) / appreciation as at December 31, 2021	Percentage in relation to	
								Net assets of the Plan	Total market value of investments
					----- (Rupees in '000) -----			----- % -----	
Aggressive Allocation Plan									
Meezan Islamic Fund	4,122,205	320,490	332,253	4,110,442	259,904	252,820	(7,084)	75.02	75.07
Meezan Islamic Income Fund	1,681,170	99,658	208,584	1,572,244	81,045	83,958	2,913	24.91	24.93
Total as at December 31, 2021					340,949	336,778	(4,171)	99.93	100.00
Total as at June 30, 2021					352,351	347,785	(4,566)		
Moderate Allocation Plan									
Meezan Islamic Fund	1,187,441	355,287	573,323	969,405	61,450	59,625	(1,825)	50.27	50.09
Meezan Islamic Income Fund	1,452,831	376,987	717,426	1,112,392	57,479	59,401	1,922	50.09	49.91
Total as at December 31, 2021					118,929	119,026	97	100.36	100.00
Total as at June 30, 2021					151,346	150,037	(1,309)		
Conservative Allocation Plan									
Meezan Islamic Fund	898,278	166,083	136,933	927,428	58,542	57,043	(1,499)	25.13	25.07
Meezan Islamic Income Fund	3,297,127	426,395	530,852	3,192,670	164,880	170,488	5,608	75.10	74.93
Total as at December 31, 2021					223,422	227,531	4,109	100.23	100.00
Total as at June 30, 2021					227,615	226,644	(971)		
Meezan Asset Allocation Plan I									
Al Meezan Mutual Fund	3,758,262	-	2,378,463	1,379,799	24,349	23,602	(747)	23.93	23.15
Meezan Islamic Fund	-	47,581	47,581	-	-	-	-	-	-
Meezan Islamic Income Fund	840,427	804,211	1,644,638	-	-	-	-	-	-
Meezan Daily Income Fund	-	1,763,613	1,307,881	455,732	22,787	22,787	-	23.10	22.35
Meezan Dedicated Equity Fund	1,253,414	-	-	1,253,414	58,793	55,579	(3,214)	56.35	54.50
Total as at December 31, 2021					105,929	101,968	(3,961)	103.38	100.00
Total as at June 30, 2021					154,063	168,374	14,311		
Total investments in units of mutual funds									
Al Meezan Mutual Fund	3,758,262	-	2,378,463	1,379,799	24,349	23,602	(747)	3.02	3.01
Meezan Islamic Fund	6,207,924	889,441	1,090,090	6,007,275	379,896	369,488	(10,408)	47.29	47.05
Meezan Islamic Income Fund	7,271,555	1,707,251	3,101,500	5,877,306	303,404	313,847	10,443	40.17	39.96
Meezan Daily Income Fund	-	1,763,613	1,307,881	455,732	22,787	22,787	-	2.92	2.90
Meezan Dedicated Equity Fund	1,253,414	-	-	1,253,414	58,793	55,579	(3,214)	7.11	7.08
Total as at December 31, 2021					789,229	785,303	(3,926)	100.51	100.00
Total as at June 30, 2021					885,375	892,840	7,465		

7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

----- (Unaudited) -----						
Note	As at December 31, 2021					
	Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----						
Remuneration payable	7.1	-	1	2	3	6
Sindh Sales Tax payable on remuneration Management company		-	-	-	-	-
Allocated expense payable	7.2	23	13	35	15	86
Sales load payable		17	5	7	-	29
Sindh Sales Tax on sales load payable		2	1	1	-	4
		<u>42</u>	<u>20</u>	<u>45</u>	<u>18</u>	<u>125</u>

		(Audited)				
		As at June 30, 2021				
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)						
Remuneration payable	7.1	4	3	8	1	16
Sindh Sales Tax payable on remuneration Management company		1	-	1	-	2
Allocated expense payable	7.2	17	13	34	15	79
Sales load payable		28	35	-	-	63
Sindh Sales Tax on sales load payable		4	5	-	-	9
		<u>54</u>	<u>56</u>	<u>43</u>	<u>16</u>	<u>169</u>

7.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (December 31, 2020: 1%) per annum of the daily bank balance of all the respective plans of the Fund during the period ended December 31, 2021. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged such expenses at the rate of 0.11% (December 31, 2020: 0.1%) of the average annual net assets of the respective plans of the Fund during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred.

8 ACCRUED EXPENSES AND OTHER LIABILITIES

		(Unaudited)				
		As at December 31, 2021				
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)						
Auditors' remuneration payable		133	63	87	60	343
Withholding tax payable		-	409	-	91	500
Capital gain tax payable		126	96	98	341	661
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	-	-	-	-	-
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	368	497	528	3,295	4,688
Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	8.2	72	40	36	16	164
Shariah advisor fee payable		57	26	34	29	146
Printing charges payable		93	63	47	157	360
		<u>849</u>	<u>1,194</u>	<u>830</u>	<u>3,989</u>	<u>6,862</u>

		(Audited)				
		As at June 30, 2021				
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)						
Auditors' remuneration payable		132	56	68	104	360
Withholding tax payable		-	409	-	93	502
Capital gain tax payable		125	69	18	327	539
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	5,233	2,673	1,963	8,530	18,399
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	368	497	528	3,295	4,688
Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	8.2	72	40	36	16	164
Shariah advisor fee payable		59	24	29	33	145
Printing charges payable		93	63	47	159	362
		<u>6,082</u>	<u>3,831</u>	<u>2,689</u>	<u>12,557</u>	<u>25,159</u>

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Fund, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 0.440 million, Rs 0.537 million, Rs 0.564 million and Rs 3.311 million in Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP- I respectively is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision of FED not been made, the Net Asset Value of the Fund as at December 31, 2021 would have been higher by Re 0.10, Re 0.33, Re 0.17 and Rs 2.20 per unit in Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP-I (June 30, 2021: Re 0.10, Re 0.26, Re 0.17 and Rs 1.35 per unit) respectively.

9 CONTINGENCIES AND COMMITMENTS

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

10 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

Balances

	(Unaudited)				
	As at December 31, 2021				
	Aggressive	Moderate	Conservative	MAAP-I	Total
AI Meezan Investment Management Limited - Management Company					
Remuneration payable (Rs in '000)	-	1	2	3	6
Sindh Sales Tax payable on remuneration of the Management Company (Rs in '000)	-	-	-	-	-
Allocated expenses payable (Rs in '000)	23	13	35	15	86
Sales load payable (Rs in '000)	17	5	7	-	29
Sindh Sales Tax payable on sales load (Rs in '000)	2	1	1	-	4
Investment (Rs in '000)	-	-	8,815	-	8,815
Investment (Units)	-	-	125,407	-	125,407
Meezan Bank Limited					
Bank balance (Rs in '000)	1,228	1,034	1,193	581	4,036
Profit receivable (Rs in '000)	8	32	4	10	54
Sales load payable (Rs in '000)	1	-	1	-	2
Central Depository Company of Pakistan Limited - Trustee					
Remuneration payable (Rs in '000)	24	8	21	12	65
Sindh Sales Tax payable on remuneration of the Trustee (Rs in '000)	3	1	3	1	8
Meezan Islamic Fund					
Investment (Rs in '000)	252,820	59,625	57,043	-	369,488
Investment (Units)	4,110,442	969,405	927,428	-	6,007,275
AI Meezan Mutual Fund					
Investment (Rs in '000)	-	-	-	23,602	23,602
Investment (Units)	-	-	-	1,379,799	1,379,799
Meezan Daily Income Fund					
Investment (Rs in '000)	-	-	-	22,787	22,787
Investment (Units)	-	-	-	455,732	455,732
Meezan Islamic Income Fund					
Investment (Rs in '000)	83,958	59,401	170,488	-	313,847
Investment (Units)	1,572,244	1,112,392	3,192,670	-	5,877,306

Balances

----- (Unaudited) -----					
----- As at December 31, 2021 -----					
	Aggressive	Moderate	Conservative	MAAP-I	Total
Meezan Dedicated Equity Fund					
Investment (Rs in '000)	-	-	-	55,579	55,579
Investment (Units)	-	-	-	1,253,414	1,253,414
Unit holders holding 10% or more units of the Fund					
Investment (Rs in '000)	198,442	-	97,294	49,453	345,189
Investment (Units)	2,525,819	-	1,384,198	756,229	4,666,246
Directors and Executives of the Management Company					
Investment (Rs in '000)	2,451	203	9,026	-	11,680
Investment (Units)	31,203	2,770	128,410	-	162,383

Balances

----- (Audited) -----					
----- As at June 30, 2021 -----					
	Aggressive	Moderate	Conservative	MAAP-I	Total
AI Meezan Investment Management Limited - Management Company					
Remuneration payable (Rs in '000)	4	3	8	1	16
Sindh Sales Tax payable on remuneration of the Management Company (Rs in '000)	1	-	1	-	2
Allocated expenses payable (Rs in '000)	17	13	34	15	79
Sales load payable (Rs in '000)	28	35	-	-	63
Sindh Sales Tax payable on sales load (Rs in '000)	4	5	-	-	9
Investment (Rs in '000)	-	-	8,582	-	8,582
Investment (Units)	-	-	125,407	-	125,407
Meezan Bank Limited					
Bank balance (Rs in '000)	6,459	30	948	377	7,814
Profit receivable (Rs in '000)	4	12	32	4	52
Sales load payable (Rs in '000)	16	11	5	-	32
Central Depository Company of Pakistan Limited - Trustee					
Remuneration payable (Rs in '000)	23	7	20	10	60
Sindh Sales Tax payable on remuneration of the Trustee (Rs in '000)	3	1	3	1	8
Meezan Islamic Fund					
Investment (Rs in '000)	261,249	75,255	56,929	-	393,433
Investment (Units)	4,122,205	1,187,441	898,278	-	6,207,924
AI Meezan Mutual Fund					
Investment (Rs in '000)	-	-	-	66,321	66,321
Investment (Units)	-	-	-	3,758,262	3,758,262
Meezan Islamic Income Fund					
Investment (Rs in '000)	86,536	74,782	169,715	43,260	374,293
Investment (Units)	1,681,170	1,452,831	3,297,122	840,423	7,271,546

Balances

(Audited)					
As at June 30, 2021					
Aggressive	Moderate	Conservative	MAAP-I	Total	
Meezan Dedicated Equity Fund					
Investment (Rs in '000)	-	-	58,793	58,793	
Investment (Units)	-	-	1,253,414	1,253,414	
Unit holders holding 10% or more units of the Fund					
Investment (Rs in '000)	198,201	-	94,730	96,074	389,005
Investment (Units)	2,525,819	-	1,384,198	1,510,678	5,420,695
Directors and Executives of the Management Company					
Investment (Rs in '000)	1,505	-	8,707	-	10,212
Investment (Units)	19,185	2	127,221	-	146,408

Transactions during the period

(Unaudited)					
For the period ended December 31, 2021					
Aggressive	Moderate	Conservative	MAAP-I	Total	
AI Meezan Investment Management Limited - Management Company					
Remuneration for the period (Rs in '000)	20	18	20	7	65
Sindh Sales Tax on remuneration of the Management Company (Rs in '000)	3	2	3	1	9
Allocated expenses (Rs in '000)	191	90	125	87	493
Meezan Bank Limited					
Profit on savings account (Rs in '000)	37	58	50	11	156
Shariah advisory fee	52	25	34	24	135
Central Depository Company of Pakistan Limited - Trustee					
Remuneration for the period (Rs in '000)	121	57	80	55	313
Sindh Sales Tax on remuneration of the Trustee (Rs in '000)	16	7	10	7	40
Meezan Islamic Fund					
Invested during the period (Rs. in '000)	19,696	22,542	10,280	3,000	55,518
Invested during the period (Units)	320,490	355,287	166,083	47,581	889,441
Redeemed during the period (Rs. in '000)	21,000	35,250	8,375	2,844	67,469
Redeemed during the period (Units)	332,253	573,323	136,933	47,581	1,090,090
Meezan Daily Income Fund					
Amount invested during the period (Rs in '000)	-	-	-	88,181	88,181
Invested during the period (Units)	-	-	-	1,763,613	1,763,613
Amount redeemed during the period (Rs in '000)	-	-	-	65,394	65,394
Redeemed during the period (Units)	-	-	-	1,307,881	1,307,881
Dividend received during the period (Rs. in '000)	-	-	-	742	742
AI Meezan Mutual Fund					
Redeemed during the period (Rs. in '000)	-	-	-	40,320	40,320
Redeemed during the period (Units)	-	-	-	2,378,463	2,378,463

Transactions during the period

Meezan Islamic Income Fund

Invested during the period (Rs. in '000)
Invested during the period (Units)
Redeemed during the period (Rs. in '000)
Redeemed during the period (Units)

(Unaudited)				
For the period ended December 31, 2021				
Aggressive	Moderate	Conservative	MAAP-I	Total
5,250	19,750	22,500	42,304	89,804
99,658	376,987	426,395	804,211	1,707,251
10,946	38,042	27,905	86,495	163,388
208,584	717,426	530,852	1,644,638	3,101,500

Unit holders holding 10% or more units of the Fund

Redeemed during the period (Rs. in '000)
Redeemed during the period (Units)

-	-	-	48,743	48,743
-	-	-	754,449	754,449

Directors and Executives of the Management Company

Invested during the period (Rs. in '000)
Invested during the period (Units)
Redeemed during the period (Rs. in '000)
Redeemed during the period (Units)

5,162	225	5,494	-	10,881
64,787	3,109	78,600	-	146,496
4,254	25	5,397	-	9,676
52,769	341	77,411	-	130,521

Transactions during the period

AI Meezan Investment Management Limited - Management Company

Remuneration for the period (Rs in '000)
Sindh Sales Tax on remuneration of the Management Company (Rs in '000)
Allocated expenses (Rs in '000)

(Unaudited)				
For the period ended December 31, 2020				
Aggressive	Moderate	Conservative	MAAP-I	Total
24	21	33	6	84
3	3	4	1	11
157	67	76	175	475

Meezan Bank Limited

Profit on savings account (Rs in '000)
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63	66	75	20	224
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Central Depository Company of Pakistan Limited - Trustee

Remuneration for the period (Rs in '000)
Sindh Sales Tax on remuneration of the Trustee (Rs in '000)

110	47	53	122	332
14	6	7	16	43

Directors and Executives of the Management Company

Invested during the period (Rs in '000)
Invested during the period (Units)
Redeemed during the period (Rs. in '000)
Redeemed during the period (Units)

29,932	81	26,360	-	56,373
437,535	1,248	413,614	-	852,397
25,896	89	26,232	-	52,217
375,573	1,351	411,424	-	788,348

Meezan Islamic Fund

Invested during the period (Rs. in '000)
Invested during the period (Units)
Redeemed during the period (Rs. in '000)
Redeemed during the period (Units)

3,375	9,000	4,375	11,000	27,750
60,968	237,826	75,590	206,351	580,735
41,746	21,571	14,644	114,000	191,961
782,886	482,131	274,718	1,984,047	3,523,782

Transactions during the period

(Unaudited)					
For the period ended December 31, 2020					
Aggressive	Moderate	Conservative	MAAP-I	Total	
Meezan Sovereign Fund					
Invested during the period (Rs. in '000)	-	-	-	101,785	101,785
Invested during the period (Units)	-	-	-	1,925,349	1,925,349
Redeemed during the period (Rs. in '000)	-	-	-	102,346	102,346
Redeemed during the period (Units)	-	-	-	1,925,349	1,925,349
AI Meezan Mutual Fund					
Invested during the period (Rs. in '000)	-	-	-	700	700
Invested during the period (Units)	-	-	-	42,203	42,203
Redeemed during the period (Rs. in '000)	-	-	-	20,000	20,000
Redeemed during the period (Units)	-	-	-	1,215,052	1,215,052
Meezan Islamic Income Fund					
Invested during the period (Rs. in '000)	22,246	21,471	24,519	117,676	185,912
Invested during the period (Units)	427,379	1,731,296	466,081	2,239,200	4,863,956
Redeemed during the period (Rs. in '000)	6,875	9,100	9,750	162,165	187,890
Redeemed during the period (Units)	131,757	1,493,275	185,722	3,085,345	4,896,099
Meezan Dedicated Equity Fund					
Redeemed during the period (Rs. in '000)	-	-	-	9,000	9,000
Redeemed during the period (Units)	-	-	-	207,677	207,677

11 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2021 based on current period results is as follows:

As at December 31, 2021				
	Aggressive	Moderate	Conservative	MAAP I
Total Expense Ratio (TER)	0.39%	0.41%	0.39%	0.40%
Government levies (included in TER)	0.03%	0.03%	0.03%	0.03%
As at December 31, 2020				
	Aggressive	Moderate	Conservative	MAAP I
Total Expense Ratio (TER)	0.70%	0.61%	0.53%	0.68%
Government levies (included in TER)	0.40%	0.30%	0.21%	0.39%

The above ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a 'Fund of Funds Scheme'.

12 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these condensed interim financial statements.

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

13 FAIR VALUE MEASUREMENT

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

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

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

13.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

	(Unaudited)			
	As at December 31, 2021			
ASSETS	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'				
Units of open ended mutual funds	-	785,303	-	785,303
<hr/>				
	(Audited)			
	As at June 30, 2021			
ASSETS	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'				
Units of open ended mutual funds	-	892,840	-	892,840

14 GENERAL

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

15 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

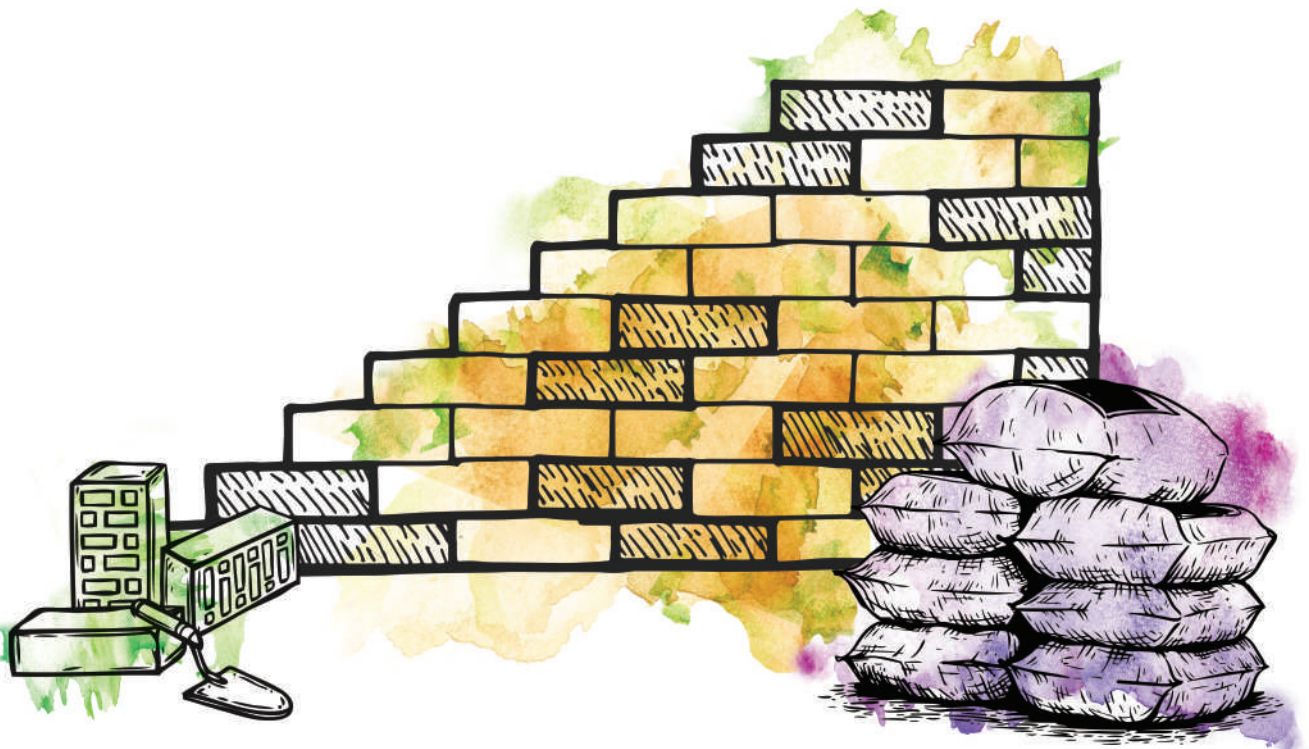


Al Meezan
Investment Management Ltd.

MEEZAN

STRATEGIC ALLOCATION FUND (MSAF)

Meezan Strategic Allocation Fund is a Shariah Compliant scheme which will use active asset allocation strategy for providing competitive returns on your investment. It is a unique asset allocation fund for investors who wish to benefit from the equity market and want an actively managed investment portfolio with diversification.



CEMENT SECTOR REPORTED A SURGE OF

200%



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road, Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Bank Al Habib Limited - Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN STRATEGIC 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 Meezan Strategic Allocation Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Strategic Allocation Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

A.F. Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021**



		December 31, 2021 (Unaudited)							
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total		
----- (Rupees in '000) -----									
Assets									
	Balances with banks	5	1,991	509	243	365	708	347	4,163
	Investments	6	517,644	386,410	339,673	159,545	57,193	228,107	1,688,572
	Profit receivable on savings account with banks		4	1	1	1	1	1	9
	Total assets		<u>519,639</u>	<u>386,920</u>	<u>339,917</u>	<u>159,911</u>	<u>57,902</u>	<u>228,455</u>	<u>1,692,744</u>
Liabilities									
	Payable to AI Meezan Investment Management Limited - Management Company	7	54	37	36	15	5	21	168
	Payable to Central Depository Company of Pakistan Limited - Trustee		37	27	26	11	3	16	120
	Payable to the Securities and Exchange Commission of Pakistan		64	43	45	18	6	25	201
	Payable against purchase of investments		81	57	52	20	7	-	217
	Payable against redemption and conversion of units		294	-	-	-	-	-	294
	Accrued expenses and other liabilities	8	512	245	341	230	63	179	1,570
	Total liabilities		<u>1,042</u>	<u>409</u>	<u>500</u>	<u>294</u>	<u>84</u>	<u>241</u>	<u>2,570</u>
	Net assets		<u>518,597</u>	<u>386,511</u>	<u>339,417</u>	<u>159,617</u>	<u>57,818</u>	<u>228,214</u>	<u>1,690,174</u>
	Contingencies and commitments	9							
	Unit holders' fund (as per statement attached)		<u>518,597</u>	<u>386,511</u>	<u>339,417</u>	<u>159,617</u>	<u>57,818</u>	<u>228,214</u>	<u>1,690,174</u>
----- (Number of units) -----									
	Number of units in issue		<u>11,144,322</u>	<u>8,412,629</u>	<u>7,621,531</u>	<u>3,481,095</u>	<u>1,090,265</u>	<u>4,065,175</u>	
----- (Rupees) -----									
	Net asset value per unit		<u>46.5346</u>	<u>45.9441</u>	<u>44.5339</u>	<u>45.8524</u>	<u>53.0307</u>	<u>56.1387</u>	

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021

		June 30, 2021 (Audited)						
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
----- (Rupees in '000) -----								
Assets								
Balances with banks	5	1,136	201	51	56	1,389	859	3,692
Investments	6	683,177	455,168	505,400	216,718	63,274	265,726	2,189,463
Profit receivable on savings account with banks		5	1	-	1	3	2	12
Total assets		<u>684,318</u>	<u>455,370</u>	<u>505,451</u>	<u>216,775</u>	<u>64,666</u>	<u>266,587</u>	<u>2,193,167</u>
Liabilities								
Payable to AI Meezan Investment Management Limited - Management Company	7	69	42	46	19	7	25	208
Payable to Central Depository Company of Pakistan Limited - Trustee		49	31	33	15	4	17	149
Payable to the Securities and Exchange Commission of Pakistan		166	91	113	70	21	71	532
Payable against redemption and conversion of units		-	-	-	-	710	-	710
Accrued expenses and other liabilities	8	10,370	3,003	4,474	4,002	1,051	1,704	24,604
Total liabilities		<u>10,654</u>	<u>3,167</u>	<u>4,666</u>	<u>4,106</u>	<u>1,793</u>	<u>1,817</u>	<u>26,203</u>
Net assets		<u>673,664</u>	<u>452,203</u>	<u>500,785</u>	<u>212,669</u>	<u>62,873</u>	<u>264,770</u>	<u>2,166,964</u>
Contingencies and commitments								
9								
Unit holders' fund (as per statement attached)		<u>673,664</u>	<u>452,203</u>	<u>500,785</u>	<u>212,669</u>	<u>62,873</u>	<u>264,770</u>	<u>2,166,964</u>
----- (Number of units) -----								
Number of units in issue		<u>14,390,571</u>	<u>9,732,527</u>	<u>11,059,083</u>	<u>4,595,508</u>	<u>1,162,592</u>	<u>4,834,137</u>	
----- (Rupees) -----								
Net asset value per unit		<u>46.8129</u>	<u>46.4631</u>	<u>45.2827</u>	<u>46.2775</u>	<u>54.0799</u>	<u>54.7709</u>	

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

Six months period ended December 31, 2021								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
(Rupees in '000)								
Income								
Net realised (loss) / gain on sale of investments	(3,869)	2,612	(1,280)	504	(13)	(1,324)	(3,370)	
Profit on saving accounts with banks	37	5	13	10	7	8	80	
Dividend income	6,323	4,032	4,467	1,664	544	7,192	24,222	
	2,491	6,649	3,200	2,178	538	5,876	20,932	
Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss'	6.1	(15,967)	(12,488)	(12,237)	(6,509)	(2,552)	(857)	(50,610)
Total (loss) / income		(13,476)	(5,839)	(9,037)	(4,331)	(2,014)	5,019	(29,678)
Expenses								
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	8	2	2	3	5	22	
Sindh Sales Tax on remuneration to the Management Company		1	-	-	-	1	2	
Allocated expenses	7.2	351	235	248	100	138	1,106	
Remuneration of Central Depository Company of Pakistan Limited - Trustee		223	150	158	63	88	704	
Sindh Sales Tax on trustee fee		29	19	21	8	11	91	
Annual fee to the Securities and Exchange Commission of Pakistan		64	43	45	18	25	201	
Auditors' remuneration		125	97	97	26	46	400	
Fees and subscription		115	70	84	32	40	352	
Reversal of Sindh Workers' Welfare Fund (SWWF)	8.1	(9,818)	(2,806)	(4,253)	(3,804)	(940)	(1,525)	(23,146)
Bank and settlement charges		7	26	23	9	5	72	
Total expenses		(8,895)	(2,164)	(3,575)	(3,546)	(850)	(1,166)	(20,196)
Net (loss) / income for the period before taxation		(4,581)	(3,675)	(5,462)	(785)	(1,164)	6,185	(9,482)
Taxation	12	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation		(4,581)	(3,675)	(5,462)	(785)	(1,164)	6,185	(9,482)
Allocation of net income for the period								
Net income for the period after taxation		-	-	-	-	6,185	6,185	
Income already paid on units redeemed		-	-	-	-	(625)	(625)	
		-	-	-	-	5,560	5,560	
Accounting income available for distribution								
- Relating to capital gains		-	-	-	-	-	-	
- Excluding capital gains		-	-	-	-	5,560	5,560	
		-	-	-	-	5,560	5,560	

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

Six months period ended December 31, 2020							
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
(Rupees in '000)							
Income							
Net realised gain on sale of investments	23,076	13,763	34,285	55,229	16,719	2,388	145,460
Profit on saving accounts with banks	50	35	92	41	16	72	306
Dividend income	-	-	-	-	-	440	440
	<u>23,126</u>	<u>13,798</u>	<u>34,377</u>	<u>55,270</u>	<u>16,735</u>	<u>2,900</u>	<u>146,206</u>
Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss'	6.1	132,106	69,177	91,102	52,447	14,069	373,138
Total income	<u>155,232</u>	<u>82,975</u>	<u>125,479</u>	<u>107,717</u>	<u>30,804</u>	<u>17,137</u>	<u>519,344</u>
Expenses							
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	28	6	9	16	9	77
Sindh Sales Tax on remuneration to the Management Company		4	1	1	2	1	10
Allocated expenses	7.2	429	228	307	227	68	1,458
Remuneration of Central Depository Company of Pakistan Limited - Trustee		300	159	215	159	48	1,020
Sindh Sales Tax on trustee fee		39	21	28	21	6	133
Annual fee to the Securities and Exchange Commission of Pakistan		86	46	61	45	14	292
Auditors' remuneration		108	57	78	53	17	359
Fees and subscription		47	24	34	26	8	161
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	3,084	1,649	2,495	2,143	613	10,317
Total expenses		<u>4,125</u>	<u>2,191</u>	<u>3,228</u>	<u>2,692</u>	<u>784</u>	<u>13,827</u>
Net income for the period before taxation		<u>151,107</u>	<u>80,784</u>	<u>122,251</u>	<u>105,025</u>	<u>30,020</u>	<u>505,517</u>
Taxation	12	-	-	-	-	-	-
Net income for the period after taxation		<u>151,107</u>	<u>80,784</u>	<u>122,251</u>	<u>105,025</u>	<u>30,020</u>	<u>505,517</u>
Allocation of net income for the period		151,107	80,784	122,251	105,025	30,020	505,517
Net income for the period after taxation		(10,718)	(7,901)	(31,369)	(52,893)	(15,959)	(119,963)
Income already paid on units redeemed		140,389	72,883	90,882	52,132	14,061	385,554
Accounting income available for distribution		<u>140,389</u>	<u>72,883</u>	<u>90,882</u>	<u>52,132</u>	<u>14,061</u>	<u>385,554</u>
- Relating to capital gains		140,389	72,883	90,882	52,132	14,061	385,554
- Excluding capital gains		-	-	-	-	-	-
		<u>140,389</u>	<u>72,883</u>	<u>90,882</u>	<u>52,132</u>	<u>14,061</u>	<u>385,554</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2021**

For the quarter ended December 31, 2021								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
(Rupees in '000)								
Income								
Net realised (loss) / gain on sale of investments	(4,321)	1,687	(2,285)	(80)	(13)	(768)	(5,780)	
Profit on saving accounts with banks	6	2	3	2	4	4	21	
Dividend income	3,037	1,961	2,046	784	256	2,990	11,074	
	(1,278)	3,650	(236)	706	247	2,226	5,315	
Net unrealised appreciation / (diminution) on re-measurement of investments - 'at fair value through profit or loss'	49	(2,937)	(324)	(906)	(380)	705	(3,793)	
Total (loss) / income	(1,229)	713	(560)	(200)	(133)	2,931	1,522	
Expenses								
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	2	1	1	-	1	3	8
Sindh Sales Tax on remuneration to Management Company		-	-	-	-	-	1	1
Allocated expenses	7.2	168	113	112	47	16	65	521
Remuneration to Central Depository Company of Pakistan Limited - Trustee		106	73	71	29	11	41	331
Sindh Sales Tax on trustee fee		14	9	10	4	2	5	44
Annual fee to the Securities and Exchange Commission of Pakistan		31	21	20	8	3	12	95
Auditors' remuneration		66	45	45	19	6	26	207
Fees and subscription		28	12	18	6	2	6	72
Provision for Sindh Workers' Welfare Fund	8.1	-	-	-	-	-	-	-
Bank and settlement charges		2	25	14	5	1	-	47
Total expenses		417	299	291	118	42	159	1,326
Net (loss) / income for the period before taxation		(1,646)	414	(851)	(318)	(175)	2,772	196
Taxation	12	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation		(1,646)	414	(851)	(318)	(175)	2,772	196
Allocation of net income for the period								
Net income for the period after taxation		(1,646)	414	(851)	(318)	(175)	2,772	196
Income already paid on units redeemed		-	-	-	-	-	-	-
		(1,646)	414	(851)	(318)	(175)	2,772	196

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2021**

		For the quarter ended December 31, 2020						
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
(Rupees in '000)								
Income								
Net realised income on sale of investments	10,725	4,662	1,548	2,365	5,121	1,969	26,390	
Profit on saving accounts with banks	26	21	4	14	4	23	92	
Dividend income	-	-	-	-	-	440	440	
	<u>10,751</u>	<u>4,683</u>	<u>1,552</u>	<u>2,379</u>	<u>5,125</u>	<u>2,432</u>	<u>26,922</u>	
Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss'	42,321	22,137	32,420	17,615	1,258	3,478	119,229	
Total income	<u>53,072</u>	<u>26,820</u>	<u>33,972</u>	<u>19,994</u>	<u>6,383</u>	<u>5,910</u>	<u>146,151</u>	
Expenses								
Remuneration of Al Meezan Investment Management Limited - Management Company	7.1	6	-	1	2	3	4	16
Sindh Sales Tax on remuneration to Management Company		1	-	-	-	-	-	1
Allocated expenses	7.2	211	111	134	78	25	97	656
Remuneration to Central Depository Company of Pakistan Limited - Trustee		148	77	94	55	18	68	460
Sindh Sales Tax on trustee fee		19	10	12	7	2	9	59
Annual fee to the Securities and Exchange Commission of Pakistan		42	23	26	15	5	20	131
Auditors' remuneration		63	33	40	23	8	29	196
Fees and subscription		22	11	13	8	5	11	70
Provision for Sindh Workers' Welfare Fund	8.1	1,051	531	673	396	127	113	2,891
Total expenses		<u>1,563</u>	<u>796</u>	<u>993</u>	<u>584</u>	<u>193</u>	<u>351</u>	<u>4,480</u>
Net income for the period before taxation		<u>51,509</u>	<u>26,024</u>	<u>32,979</u>	<u>19,410</u>	<u>6,190</u>	<u>5,559</u>	<u>141,671</u>
Taxation	12	-	-	-	-	-	-	-
Net income for the period after taxation		<u>51,509</u>	<u>26,024</u>	<u>32,979</u>	<u>19,410</u>	<u>6,190</u>	<u>5,559</u>	<u>141,671</u>
Allocation of net income for the period								
Net income for the period after taxation		51,509	26,024	32,979	19,410	6,190	5,559	141,671
Income already paid on units redeemed		-	-	-	-	-	(4,490)	(4,490)
		<u>51,509</u>	<u>26,024</u>	<u>32,979</u>	<u>19,410</u>	<u>6,190</u>	<u>1,069</u>	<u>137,181</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

Six months period ended December 31, 2021							
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
----- (Rupees in '000) -----							
Net (loss) / income for the period after taxation	(4,581)	(3,675)	(5,462)	(785)	(1,164)	6,185	(9,482)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(4,581)</u>	<u>(3,675)</u>	<u>(5,462)</u>	<u>(785)</u>	<u>(1,164)</u>	<u>6,185</u>	<u>(9,482)</u>

Six months period ended December 31, 2020							
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
----- (Rupees in '000) -----							
Net income for the period after taxation	151,107	80,784	122,251	105,025	30,020	16,330	505,517
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>151,107</u>	<u>80,784</u>	<u>122,251</u>	<u>105,025</u>	<u>30,020</u>	<u>16,330</u>	<u>505,517</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2021**

	For the quarter ended December 31, 2021						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	
	----- (Rupees in '000) -----						
Net (loss) / income for the period after taxation	(1,646)	414	(851)	(318)	(175)	2,772	196
Other comprehensive income for the period	-	-	-	-	-	-	-
Total (loss) / comprehensive income for the period	<u>(1,646)</u>	<u>414</u>	<u>(851)</u>	<u>(318)</u>	<u>(175)</u>	<u>2,772</u>	<u>196</u>

	For the quarter ended December 31, 2020						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	
	----- (Rupees in '000) -----						
Net income for the period after taxation	51,509	26,024	32,979	19,410	6,190	5,559	141,671
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>51,509</u>	<u>26,024</u>	<u>32,979</u>	<u>19,410</u>	<u>6,190</u>	<u>5,559</u>	<u>141,671</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

Six months period ended December 31, 2021																							
MSAP-I			MSAP-II			MSAP-III			MSAP-IV			MSAP-V			MCPPIII			Total					
Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Undistributed income	Total	Capital Value	Accumulated loss	Total			
(Rupees in '000)			(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			1,086,918	(413,254)	673,664	753,015	(300,812)	452,203	869,206	(368,421)	500,785	660,829	(448,160)	212,669	124,933	(62,060)	62,873	224,720	40,050	264,770	3,719,621	(1,552,657)	2,166,964
Redemption of units:																							
MSAP - I: 3,246,249 units / MSAP - II: 1,319,898 units /																							
MSAP - III: 3,437,552 units / MSAP - IV: 1,114,413 units /																							
MSAP - V: 72,327 units, MCPPIII - III: 768,962 units																							
- Capital value (at net asset value per unit at the beginning of the period)																							
151,966	-	151,966	61,327	-	61,327	155,662	-	155,662	51,572	-	51,572	3,911	-	3,911	42,117	-	42,117	466,555	-	466,555			
(1,480)	-	(1,480)	690	-	690	244	-	244	695	-	695	(20)	-	(20)	(1)	625	624	128	625	753			
Total payments on redemption of units																							
150,486	-	150,486	62,017	-	62,017	155,906	-	155,906	52,267	-	52,267	3,891	-	3,891	42,116	625	42,741	466,683	625	467,308			
Total comprehensive income for the period																							
-	(4,581)	(4,581)	-	(3,675)	(3,675)	-	(5,462)	(5,462)	-	(785)	(785)	-	(1,164)	(1,164)	-	6,185	6,185	-	-	(9,482)	(9,482)		
Distribution during the period																							
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net (loss) / income for the period less distribution																							
-	(4,581)	(4,581)	-	(3,675)	(3,675)	-	(5,462)	(5,462)	-	(785)	(785)	-	(1,164)	(1,164)	-	6,185	6,185	-	-	(9,482)	(9,482)		
Net assets at the end of the period																							
936,432	(417,835)	518,597	690,998	(304,487)	386,511	713,300	(373,883)	339,417	608,562	(448,945)	159,617	121,042	(63,224)	57,818	182,604	45,610	228,214	3,252,938	(1,562,764)	1,690,174			
(Accumulated loss) / undistributed income brought forward																							
- Realised (loss) / income																							
(449,348)			(300,107)			(400,602)			(476,520)			(73,107)			38,639			(1,661,045)					
- Unrealised (loss) / income																							
36,094			(705)			32,181			28,360			11,047			1,411			108,388					
<u>(413,254)</u>			<u>(300,812)</u>			<u>(368,421)</u>			<u>(448,160)</u>			<u>(62,060)</u>			<u>40,050</u>			<u>(1,552,657)</u>					
Accounting income available for distribution																							
- Relating to capital gains																							
-			-			-			-			-			-			-					
- Excluding capital gains																							
-			-			-			-			-			5,560			5,560					
<u>-</u>			<u>-</u>			<u>-</u>			<u>-</u>			<u>-</u>			<u>5,560</u>			<u>5,560</u>					
Net loss for the period after taxation																							
(4,581)			(3,675)			(5,462)			(785)			(1,164)			-			(15,667)					
(Accumulated loss) / undistributed income carried forward																							
<u>(417,835)</u>			<u>(304,487)</u>			<u>(373,883)</u>			<u>(448,945)</u>			<u>(63,224)</u>			<u>45,610</u>			<u>(1,562,764)</u>					
(Accumulated loss) / undistributed income carried forward																							
- Realised (loss) / income																							
(401,868)			(291,999)			(361,646)			(442,436)			(60,672)			46,467			(1,512,154)					
- Unrealised loss																							
(15,967)			(12,488)			(12,237)			(6,509)			(2,552)			(857)			(50,610)					
<u>(417,835)</u>			<u>(304,487)</u>			<u>(373,883)</u>			<u>(448,945)</u>			<u>(63,224)</u>			<u>45,610</u>			<u>(1,562,764)</u>					
Rupees																							
<u>46,8129</u>			<u>46,4631</u>			<u>45,2827</u>			<u>46,2775</u>			<u>54,0799</u>			<u>54,7709</u>								
Net asset value per unit as at the beginning of the period																							
<u>46,5346</u>			<u>45,9441</u>			<u>44,5339</u>			<u>45,8524</u>			<u>53,0307</u>			<u>56,1387</u>								
Net asset value per unit as at the end of the period																							

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI-Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

	Six months period ended December 31, 2020																				
	MSAP-I			MSAP-II			MSAP-III			MSAP-IV			MSAP-V			MCPP-III			Total		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Undistributed income	Total	Capital Value	Accumulated loss	Total
(Rupees in '000)			(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	1,349,651	(556,305)	793,346	847,501	(394,883)	452,618	1,221,095	(475,088)	746,007	1,245,128	(493,950)	751,178	271,498	(75,909)	195,589	399,642	16,645	416,287	5,334,515	(1,979,490)	3,355,025
Redemption of units:																					
MSAP - I: 2,046,673 units / MSAP - II: 1,962,920 units / MSAP - III: 8,003,396 units / MSAP - IV: 13,433,512 units / MSAP - V: 3,003,262 units, MCPP - III: 1,052,948 units																					
- Capital value (at net asset value per unit at the beginning of the period)	75,466	-	75,466	72,215	-	72,215	285,072	-	285,072	487,606	-	487,606	126,641	-	126,641	53,540	-	53,540	1,100,540	-	1,100,540
- Element of (income) / loss	-	10,718	10,718	(43)	7,901	7,858	(205)	31,369	31,164	(9)	52,893	52,884	-	15,959	15,959	(23)	1,123	1,100	(280)	119,963	119,683
Total payments on redemption of units	75,466	10,718	86,184	72,172	7,901	80,073	284,867	31,369	316,236	487,597	52,893	540,490	126,641	15,959	142,600	53,517	1,123	54,640	1,100,260	119,963	1,220,223
Total comprehensive income for the period	-	151,107	151,107	-	80,784	80,784	-	122,251	122,251	-	105,025	105,025	-	30,020	30,020	-	16,330	16,330	-	505,517	505,517
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	151,107	151,107	-	80,784	80,784	-	122,251	122,251	-	105,025	105,025	-	30,020	30,020	-	16,330	16,330	-	505,517	505,517
Net assets at the end of the period	1,274,185	(415,916)	858,269	775,329	(322,000)	453,329	936,228	(384,206)	552,022	757,531	(441,818)	315,713	144,857	(61,848)	83,009	346,125	31,852	377,977	4,234,255	(1,593,936)	2,640,319
(Accumulated loss) / undistributed income brought forward																					
- Realised (loss) / income		(568,973)		(382,241)		(466,242)		(483,075)		(71,074)		(1,955,108)		16,497							
- Unrealised income / (loss)		12,668		(12,642)		(8,846)		(10,875)		(4,835)		(24,382)		148							
		(556,305)		(394,883)		(475,088)		(493,950)		(75,909)		(1,979,490)		16,645							
Accounting income available for distribution																					
- Relating to capital gains		140,389		72,883		90,882		52,132		14,061		385,554		15,207							
- Excluding capital gains		-		-		-		-		-		-		-							
		140,389		72,883		90,882		52,132		14,061		385,554		15,207							
Distribution during the period		-		-		-		-		-		-		-							
(Accumulated loss) / undistributed income carried forward		(415,916)		(322,000)		(384,206)		(441,818)		(61,848)		(1,593,936)		31,852							
(Accumulated loss) / undistributed income carried forward																					
- Realised (loss) / income		(548,022)		(391,177)		(475,308)		(494,265)		(75,917)		(1,967,074)		17,615							
- Unrealised income		132,106		69,177		91,102		52,447		14,069		373,138		14,237							
		(415,916)		(322,000)		(384,206)		(441,818)		(61,848)		(1,593,936)		31,852							
Net asset value per unit as at the beginning of the period		Rupees		Rupees		Rupees		Rupees		Rupees		Rupees		Rupees		Rupees		Rupees		Rupees	
		36.8722		36.7897		35.6189		36.2977		42.1678		50.8475		50.8475		50.8475		50.8475		50.8475	
Net asset value per unit as at the end of the period		44.0830		43.8426		42.6577		43.4784		50.7669		52.9823		52.9823		52.9823		52.9823		52.9823	

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al-Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

	Six months period ended December 31, 2021						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	
CASH FLOWS FROM OPERATING ACTIVITIES	Note -----(Rupees in '000)-----						
Net (loss) / income for the period before taxation	(4,581)	(3,675)	(5,462)	(785)	(1,164)	6,185	(9,482)
Adjustments for:							
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss'	15,967	12,488	12,237	6,509	2,552	857	50,610
	11,386	8,813	6,775	5,724	1,388	7,042	41,128
Decrease / (increase) in assets							
Investments	149,566	56,270	153,490	50,664	3,529	36,762	450,281
Profit receivable on savings account with banks	1	-	(1)	-	2	1	3
	149,567	56,270	153,489	50,664	3,531	36,763	450,284
Increase / (decrease) in liabilities							
Payable to Al Meezan Investment Management Limited - Management Company	(15)	(5)	(10)	(4)	(2)	(4)	(40)
Payable to Central Depository Company of Pakistan Limited - Trustee	(12)	(4)	(7)	(4)	(1)	(1)	(29)
Payable to the Securities and Exchange Commission of Pakistan	(102)	(48)	(68)	(52)	(15)	(46)	(331)
Payable against purchase of investments	81	57	52	20	7	-	217
Accrued expenses and other liabilities	(9,858)	(2,758)	(4,133)	(3,772)	(988)	(1,525)	(23,034)
	(9,906)	(2,758)	(4,166)	(3,812)	(999)	(1,576)	(23,217)
Net cash generated from operating activities	151,047	62,325	156,098	52,576	3,920	42,229	468,195
CASH FLOWS FROM FINANCING ACTIVITIES							
Dividend paid	-	-	-	-	-	-	-
Payments against redemption and conversion of units	(150,192)	(62,017)	(155,906)	(52,267)	(4,601)	(42,741)	(467,724)
Net cash used in financing activities	(150,192)	(62,017)	(155,906)	(52,267)	(4,601)	(42,741)	(467,724)
Net increase / (decrease) in cash and cash equivalents during the period	855	308	192	309	(681)	(512)	471
Cash and cash equivalents at the beginning of the period	1,136	201	51	56	1,389	859	3,692
Cash and cash equivalents at the end of the period	5 1,991	509	243	365	708	347	4,163

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

Six months period ended December 31, 2020							
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total	
------(Rupees in '000)-----							
CASH FLOWS FROM OPERATING ACTIVITIES							
Net income for the period before taxation	151,107	80,784	122,251	105,025	30,020	16,330	505,517
Adjustments for:							
Net unrealised appreciation on re-measurement of investments 'at fair value through profit or loss'	(132,106)	(69,177)	(91,102)	(52,447)	(14,069)	(14,237)	(373,138)
	19,001	11,607	31,149	52,578	15,951	2,093	132,379
Decrease / (increase) in assets							
Investments	70,125	70,894	290,465	492,226	127,391	53,574	1,104,675
Receivable against sale of investments - net	(7,400)	(2,600)	(7,400)	(1,600)	(600)	490	(19,110)
Profit receivable on savings account with banks	6	(6)	2	3	(1)	43	47
	62,731	68,288	283,067	490,629	126,790	54,107	1,085,612
Increase / (decrease) in liabilities							
Payable to Al Meezan Investment Management Limited - Management Company	7	1	(16)	(36)	(14)	(1)	(59)
Payable to Central Depository Company of Pakistan Limited - Trustee	6	1	(12)	(27)	(6)	(1)	(39)
Payable to Securities and Exchange Commission of Pakistan	(93)	(58)	(100)	(126)	(32)	(114)	(523)
Payable against purchase of investments	7,400	2,600	7,400	1,600	600	7	19,607
Accrued expenses and other liabilities	(4,338)	(823)	(3,850)	(3,889)	(375)	340	(12,935)
	2,982	1,721	3,422	(2,478)	173	231	6,051
Net cash generated from operating activities	84,714	81,616	317,638	540,729	142,914	56,431	1,224,042
CASH FLOWS FROM FINANCING ACTIVITIES							
Dividend paid	(1,493)	(1,367)	(807)	(651)	(150)	-	(4,468)
Payments against redemption and conversion of units	(86,184)	(79,973)	(316,136)	(540,390)	(142,600)	(56,109)	(1,221,392)
Net cash used in financing activities	(87,677)	(81,340)	(316,943)	(541,041)	(142,750)	(56,109)	(1,225,860)
Net (decrease) / increase in cash and cash equivalents during the period	(2,963)	276	695	(312)	164	322	(1,818)
Cash and cash equivalents at the beginning of the period	3,633	59	51	958	725	1,051	6,477
Cash and cash equivalents at the end of the period	670	335	746	646	889	1,373	4,659

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Strategic Allocation Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on September 08, 2016 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (the NBFC Rules). The Fund is registered as a Notified entity under Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Consequently, the Fund is now required to be registered under the Sindh Trust Act. Accordingly, on September 2, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund has been formed to enable the unitholders to participate in a diversified portfolio of Equity Schemes and Fixed Income / Money Market Schemes, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.3 The Fund is an open-end Shariah compliant Fund of Funds Scheme. Units are offered for public subscription on a continuous basis till the end of the subscription period. The subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the SECP after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unitholders. However, subscription hasn't been re-opened during the current year. The units of the plan are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

1.4 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.

1.5 The Management Company has been assigned a quality rating of AM1 by VIS dated December 27, 2021 (2020: AM1 dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: AM1 dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.6 The Fund is an open-end Shariah compliant Fund of Funds Scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Meezan Strategic Allocation Plan-I (MSAP-I), Meezan Strategic Allocation Plan-II (MSAP-II), Meezan Strategic Allocation Plan-III (MSAP-III), Meezan Strategic Allocation Plan-IV (MSAP-IV), Meezan Strategic Allocation Plan-V (MSAP-V) and Meezan Capital Preservation Plan-III (MCPPIII) by investing in Shariah compliant fixed income / money market and equity mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans.

Meezan Strategic Allocation Plan-I (MSAP-I)	<p>Medium to high risk - High return through asset allocation</p> <p>The allocation plan commenced its operations from October 19, 2016 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. Units are subject to front end load. An early exit fee has also been charged in case of redemption before the completion of the initial maturity of the plan. The initial maturity of this plan was two years from the close of the subscription period (i.e. December 2, 2016). However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide letter no. SCD/AMCW/AMIML/106/2021 dated October 26, 2021, the plan shall mature on December 2, 2022.</p>
Meezan Strategic Allocation Plan-II (MSAP-II)	<p>Medium to high risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from December 22, 2016 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. Units are subject to front end load. An early exit fee shall also been charged in case of redemption before the completion of the initial maturity of the plan. The initial maturity of this plan was two years from the close of the subscription period (i.e. January 31, 2017). However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide letter no. SCD/AMCW/MSAF/167/2021, the plan shall mature on January 31, 2022.</p>

Meezan Strategic Allocation Plan-III (MSAP-III)	<p>Medium to high risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from February 20, 2017 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 95 percent. The initial maturity of this plan was two years from the close of the subscription period (i.e. April 3, 2017). Units are subject to front end load. An early exit fee shall has also been charged in case of redemption before the completion of the initial maturity of the plan. However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide letter no. ACD/AMCW/MSAF/205/2021, the plan shall mature on April 3, 2022.</p>
Meezan Strategic Allocation Plan-IV (MSAP-IV)	<p>Medium to high risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from April 24, 2017 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 95 percent. The initial maturity of this plan was two years from the close of the subscription period (i.e. June 30, 2017). Units are subject to front end load. An early exit fee has also been charged in case of redemption before the completion of the initial maturity of the plan. However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide letter no. SCD/AMCW/MSAF/270/2021, the plan shall mature on on June 30, 2022.</p>
Meezan Strategic Allocation Plan-V (MSAP-V)	<p>Medium to high risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from August 15, 2017 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 95 percent. Units are subject to front end load. An early exit fee shall has also been charged in case of redemption before the completion of the initial maturity of the plan. The initial maturity of this plan was two years from the close of the subscription period (i.e. October 19, 2017). However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide letter no. SCD/AMCW/MSAF/60/2021, the plan shall mature on October 19, 2022.</p>
Meezan Capital Preservation Plan-III (MCPPIII)	<p>Medium risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from December 19, 2017 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 50 percent in equity schemes and up to 100 percent in money market schemes. Units are subject to front end load. An early exit fee has also been charged in case of redemption before the completion of the initial maturity of the plan. The initial maturity of this plan was two years from the close of the subscription period (i.e February 16, 2018). However, the SECP has approved multiple extensions and in accordance with the last such extension granted through Third Supplemental to the Sixth Supplemental Offering Document by SECP, the plan shall mature on February 16, 2022.</p>

Each allocation plan announces separate Net Asset Values which ranks Pari Passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the 'International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5 BALANCES WITH BANKS

		December 31, 2021 (Unaudited)						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
Note		(Rupees in '000)						
Savings accounts	5.1	1,991	509	243	365	708	347	4,163
		June 30, 2021 (Audited)						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
Note		(Rupees in '000)						
Savings accounts	5.1	1,126	191	41	46	746	849	2,999
Current accounts		10	10	10	10	643	10	693
		1,136	201	51	56	1,389	859	3,692

5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.5% (June 30, 2021: 2.5%) per annum. Other balance in savings accounts have an expected profit ranging from 2.35% to 3.41% per annum (June 30, 2021: 2.40% to 3.86% per annum).

6 INVESTMENTS

December 31, 2021 (Unaudited)								
MSAP -I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total		
Note ----- (Rupees in '000) -----								
At fair value through profit or loss								
Units of mutual funds	6.1	517,644	386,410	339,673	159,545	57,193	228,107	1,688,572

June 30, 2021 (Audited)								
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total		
----- (Rupees in '000) -----								
At fair value through profit or loss								
Units of mutual funds	6.1	683,177	455,168	505,400	216,718	63,274	265,726	2,189,463

6.1 Units of mutual funds

Name of investee funds	As at July 1, 2021	Purchases during the period	Redemptions during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution)/ appreciation as at December 31, 2021	Percentage in relation to	
								Net assets of the fund on the basis of market value	total market value of investments
----- (Number of units) -----					----- (Rupees in '000) -----			----- (Percentage) -----	

Meezan Strategic Allocation Plan-I

Al Meezan Mutual Fund	9,530,913	-	-	9,530,913	168,188	163,029	(5,159)	31.44	31.50
KSE Meezan Index Fund	70,737	-	70,737	-	-	-	-	-	-
Meezan Dedicated Equity Fund	3,396,951	-	83,453	3,313,498	155,425	146,927	(8,498)	28.33	28.38
Meezan Islamic Fund	2,730,594	316,621	1,806,550	1,240,665	78,618	76,308	(2,310)	14.71	14.74
Meezan Daily Income Fund	-	6,754,833	4,127,239	2,627,594	131,380	131,380	-	25.33	25.38
Meezan Islamic Income Fund	-	3,044,367	3,044,367	-	-	-	-	-	-
Meezan Rozana Amdani Fund	3,548,805	65,728	3,614,533	-	-	-	-	-	-
					533,611	517,644	(15,967)	99.81	100.00

Meezan Strategic Allocation Plan-II

Al Meezan Mutual Fund	11,986,975	611,134	9,144,900	3,453,209	60,996	59,068	(1,928)	15.28	15.29
KSE Meezan Index Fund	159,765	136,668	296,433	-	-	-	-	-	-
Meezan Dedicated Equity Fund	396,165	-	-	396,165	18,583	17,567	(1,016)	4.55	4.55
Meezan Islamic Fund	1,579,575	2,607,990	663,891	3,523,674	226,274	216,730	(9,544)	56.10	56.09
Meezan Daily Income Fund	-	4,196,373	2,335,471	1,860,902	93,045	93,045	-	24.07	24.08
Meezan Islamic Income Fund	-	1,896,166	1,896,166	-	-	-	-	-	-
Meezan Rozana Amdani Fund	2,266,117	41,413	2,307,530	-	-	-	-	-	-
					398,898	386,410	(12,488)	100.00	100.00

Meezan Strategic Allocation Plan-III

Al Meezan Mutual Fund	2,701,461	611,135	630,417	2,682,179	47,506	45,879	(1,627)	13.52	13.30
KSE Meezan Index Fund	159,037	95,677	148,465	106,249	7,765	7,249	(516)	2.14	4.22
Meezan Dedicated Equity Fund	3,295,552	-	-	3,295,552	154,583	146,131	(8,452)	42.97	69.07
Meezan Islamic Fund	2,541,472	158,605	1,806,796	893,281	56,585	54,943	(1,642)	16.19	13.42
Meezan Daily Income Fund	-	4,517,167	2,807,758	1,709,409	85,471	85,471	-	25.18	-
Meezan Islamic Income Fund	-	2,041,471	2,041,471	-	-	-	-	-	-
Meezan Rozana Amdani Fund	2,609,764	48,418	2,658,182	-	-	-	-	-	-
					351,910	339,673	(12,237)	100.00	100.00

Meezan Strategic Allocation Plan-IV

Al Meezan Mutual Fund	2,774,152	-	877,764	1,896,388	33,464	32,439	(1,025)	20.32	20.33
KSE Meezan Index Fund	13,634	-	-	13,634	994	930	(64)	0.58	0.58
Meezan Dedicated Equity Fund	2,371,642	-	258,201	2,113,441	99,134	93,714	(5,420)	58.76	58.74
Meezan Islamic Fund	22,508	47,581	70,089	-	-	-	-	-	-
Meezan Daily Income Fund	-	1,814,477	1,165,232	649,245	32,462	32,462	-	20.34	20.35
Meezan Islamic Income Fund	-	827,170	827,170	-	-	-	-	-	-
Meezan Rozana Amdani Fund	1,081,951	17,594	1,099,545	-	-	-	-	-	-
					166,054	159,545	(6,509)	100.00	100.00



Name of investee funds	As at July 1, 2021	Purchases during the period	Redemptions during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution)/ appreciation as at December 31, 2021	Percentage in relation to	
	(Number of units)				(Rupees in '000)			Net assets of the fund on the basis of market value	total market value of investments
								(Percentage)	

Meezan Strategic Allocation Plan-V

Al Meezan Mutual Fund	130,368	-	-	130,368	2,300	2,230	(70)	4.66	3.90
KSE Meezan Index Fund	28,295	-	-	28,295	2,062	1,930	(132)	3.34	3.37
Meezan Dedicated Equity Fund	898,076	-	-	898,076	42,126	39,822	(2,304)	68.95	69.63
Meezan Islamic Fund	26,285	7,931	8,366	25,850	1,636	1,590	(46)	2.75	2.78
Meezan Daily Income Fund	-	586,804	354,391	232,413	11,621	11,621	-	20.30	20.32
Meezan Islamic Income Fund	-	281,913	281,913	-	-	-	-	-	-
Meezan Rozana Amdani Fund	302,399	5,753	308,152	-	-	-	-	-	-
					59,745	57,193	(2,552)	100.00	100.00

Meezan Capital Preservation Plan - MCPP-III

Meezan Dedicated Equity Fund	1,066,314	195,535	584,393	677,456	31,640	30,040	(1,600)	13.16	13.17
Meezan Rozana Amdani Fund	4,314,182	583,837	4,898,019	-	-	-	-	-	-
Meezan Sovereign Fund	-	3,713,278	21,092	3,692,186	197,324	198,067	743	86.84	86.83
					228,964	228,107	(857)	100.00	100.00

Total investments in units of mutual funds

Al Meezan Mutual Fund	27,123,869	1,222,269	10,653,081	17,693,057	312,454	302,645	(9,809)	17.96	17.92
KSE Meezan Index Fund	431,468	232,345	515,635	148,178	10,821	10,109	(712)	0.60	0.60
Meezan Dedicated Equity Fund	11,424,700	195,535	926,047	10,694,188	501,491	474,201	(27,290)	28.10	28.08
Meezan Islamic Fund	6,900,434	3,138,728	4,355,692	5,683,470	363,113	349,571	(13,542)	20.68	20.70
Meezan Daily Income Fund	-	17,869,654	10,790,091	7,079,563	353,979	353,979	-	20.94	20.96
Meezan Islamic Income Fund	-	8,091,087	8,091,087	-	-	-	-	-	-
Meezan Rozana Amdani Fund	14,123,218	762,743	14,885,961	-	-	-	-	-	-
Meezan Sovereign Fund	-	3,713,278	21,092	3,692,186	197,324	198,067	743	11.72	11.73
Total					1,739,182	1,688,572	(50,610)	100.00	100.00

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Note	December 31, 2021 (unaudited)							Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	(Rupees in '000)	
Management fee payable	7.1	1	-	-	-	-	-	1
Allocated expense payable	7.2	53	37	36	15	5	21	167
		<u>54</u>	<u>37</u>	<u>36</u>	<u>15</u>	<u>5</u>	<u>21</u>	<u>168</u>
Note	June 30, 2021 (audited)							Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	(Rupees in '000)	
Management fee payable	7.1	1	-	-	-	1	1	3
Allocated expense payable	7.2	68	42	46	19	6	24	205
		<u>69</u>	<u>42</u>	<u>46</u>	<u>19</u>	<u>7</u>	<u>25</u>	<u>208</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (June 30, 2021: 1%) per annum of the daily bank balance of the Fund during the current period. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged allocated expenses at the rate of 0.11% (2020: 0.11%) per annum of the average annual net assets of the scheme subject to the total expense charged being lower than actual expense incurred.

8. ACCRUED EXPENSES AND OTHER LIABILITIES

December 31, 2021 (Unaudited)						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	Total
----- (Rupees in '000) -----						
Auditors' remuneration payable	110	74	78	32	11	348
Shariah advisory fee payable	43	29	30	12	5	135
Printing charges payable	154	105	118	132	47	666
Capital gain tax	205	37	115	8	-	375
Zakat payable	-	-	-	46	-	46
	<u>512</u>	<u>245</u>	<u>341</u>	<u>230</u>	<u>63</u>	<u>1,570</u>

June 30, 2021 (Audited)								
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	Total		
----- (Rupees in '000) -----								
Auditors' remuneration payable	114	62	76	46	14	360		
Shariah advisor fee payable	38	28	25	15	4	130		
Zakat Payable	-	-	-	2	-	2		
Printing charges payable	155	105	118	132	47	667		
Capital gain tax	245	2	2	3	46	299		
Provision for Sindh Workers' Welfare Fund	8.1	9,818	2,806	4,253	3,804	940	1,525	23,146
	<u>10,370</u>	<u>3,003</u>	<u>4,474</u>	<u>4,002</u>	<u>1,051</u>	<u>1,704</u>	<u>24,604</u>	

- 8.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in the condensed interim financial statements of the Fund.

9. CONTINGENCIES AND COMMITMENTS

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

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited Employees' Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

Detail of transactions with connected persons and balances with them are as follows:

December 31, 2021 (Unaudited)						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
(Rupees in '000)						
AI Meezan Investment Management Limited						
- Management Company						
Remuneration payable (Rs in '000)	1	-	-	-	-	1
Allocated expenses (Rs in '000)	53	37	36	15	21	167
Meezan Bank Limited						
Bank balance (Rs in '000)	1,920	509	243	365	708	4,080
Profit receivable (Rs in '000)	4	1	1	1	1	9
Shariah advisory fee payable (Rs in '000)	43	29	30	12	5	135
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee payable (Rs. in '000)	33	24	23	10	14	107
Sindh Sales Tax on trustee fee payable (Rs. in '000)	4	3	3	1	2	13
Directors and Executives of the Management Company						
Investment (Rs in '000)	-	-	16,454	-	-	16,454
Investment (Units)	-	-	369,471	-	-	369,471
AI Meezan Mutual Fund						
Investment (Rs in '000)	163,029	59,068	45,879	32,439	2,230	302,645
Investment (Units)	9,530,913	3,453,209	2,682,179	1,896,388	130,368	17,693,057
KSE Meezan Index Fund						
Investment (Rs in '000)	-	-	7,249	930	1,930	10,109
Investment (Units)	-	-	106,249	13,634	28,295	148,178
Meezan Dedicated Equity Fund						
Investment (Rs in '000)	146,927	17,567	146,131	93,714	39,822	474,201
Investment (Units)	3,313,498	396,165	3,295,552	2,113,441	898,076	10,694,188
Meezan Islamic Fund						
Investment (Rs in '000)	76,308	216,730	54,943	-	1,590	349,571
Investment (Units)	1,240,665	3,523,674	893,281	-	25,850	5,683,470
Meezan Daily Income Fund						
Investment (Rs in '000)	131,380	93,045	85,471	32,462	11,621	353,979
Investment (Units)	2,627,594	1,860,902	1,709,409	649,245	232,413	7,079,563
Meezan Sovereign Fund						
Investment (Rs in '000)	-	-	-	-	198,067	198,067
Investment (Units)	-	-	-	-	3,692,186	3,692,186
Unitholders holding 10% or more units of the Fund						
Investment (Rs in '000)	180,135	178,121	44,785	-	17,292	443,795
Investment (Units)	3,870,984	3,876,917	1,005,630	-	326,070	9,497,534

June 30, 2021 (Audited)						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
----- (Rupees in '000) -----						
AI Meezan Investment Management Limited - Management Company						
Remuneration payable (Rs in '000)	1	-	-	-	1	3
Sindh Sales Tax on management fee (Rs in '000)	-	-	-	-	-	-
Allocated expenses (Rs in '000)	68	42	46	19	24	205
Meezan Bank Limited						
Bank balance (Rs in '000)	1,066	201	51	56	1,389	3,611
Profit receivable (Rs in '000)	5	1	-	1	3	12
Shariah advisory fee payable	38	28	25	15	4	130
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee payable (Rs in '000)	43	27	29	13	4	131
Sindh Sales Tax on trustee fee payable (Rs in '000)	6	4	4	2	-	18
Directors and Executives of the management company						
Investment (Rs in '000)	-	-	16,731	-	-	16,731
Investment (Units)	-	-	369,471	-	-	369,471
AI Meezan Mutual Fund						
Investment (Rs in '000)	168,188	211,529	47,672	48,954	2,300	478,643
Investment (Units)	9,530,913	11,986,974	2,701,461	2,774,152	130,368	27,123,868
KSE Meezan Index Fund						
Investment (Rs in '000)	5,155	11,642	11,589	994	2,062	31,442
Investment (Units)	70,737	159,765	159,037	13,635	28,294	431,468
Meezan Dedicated Equity Fund						
Investment (Rs in '000)	159,339	18,583	154,583	111,246	42,126	535,894
Investment (Units)	3,396,951	396,165	3,295,552	2,371,642	898,077	11,424,702
Meezan Islamic Fund						
Investment (Rs in '000)	173,055	100,108	161,068	1,427	1,666	437,324
Investment (Units)	2,730,593	1,579,575	2,541,472	22,508	26,285	6,900,433
Meezan Rozana Amdani Fund						
Investment (Rs in '000)	177,440	113,306	130,488	54,097	15,120	706,160
Investment (Units)	3,548,805	2,266,117	2,609,764	1,081,951	302,399	14,123,218
Unitholders holding 10% or more units of the Fund						
Investment (Rs in '000)	128,852	180,134	50,964	-	17,634	377,584
Investment (Units)	2,752,499	3,876,917	1,125,472	-	326,070	8,080,958
Transactions during the period						
For the period ended December 31, 2021						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
----- (Unaudited) -----						
AI Meezan Investment Management Limited - Management Company						
Remuneration for the period (Rs in '000)	8	2	2	2	3	22
Sindh Sales Tax on management fee (Rs in '000)	1	-	-	-	-	2
Allocated expenses (Rs in '000)	351	235	248	100	138	1,106
Meezan Bank Limited						
Profit on saving account (Rs in '000)	36	37	5	10	7	103
Shariah advisory fee (Rs in '000)	49	26	34	12	4	140

Transactions during the period

For the period ended December 31, 2021						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total

------(Unaudited)-----

Central Depository Company of Pakistan Limited - Trustee

Trustee fee (Rs in '000)	223	150	158	63	22	88	704
Sindh Sales Tax on trustee fee (Rs in '000)	29	19	21	8	3	11	91

AI Meezan Mutual Fund

Invested during the period (Rs in '000)	-	11,000	11,000	-	-	-	22,000
Invested during the period (Units)	-	611,134	611,135	-	-	-	1,222,269
Redeemed during the period (Rs in '000)	-	165,000	11,000	15,930	-	-	191,930
Redeemed during the period (Units)	-	9,144,900	630,417	877,764	-	-	10,653,081

KSE Meezan Index Fund

Invested during the period (Rs in '000)	-	10,000	6,995	-	-	-	16,995
Invested during the period (Units)	-	136,668	95,677	-	-	-	232,345
Redeemed during the period (Rs in '000)	5,048	21,571	11,012	-	-	-	37,631
Redeemed during the period (Units)	70,737	296,433	148,465	-	-	-	515,635

Meezan Dedicated Equity Fund

Invested during the period (Rs in '000)	-	-	-	-	-	9,000	9,000
Invested during the period (Units)	-	-	-	-	-	195,535	195,535
Redeemed during the period (Rs in '000)	4,000	-	-	12,250	-	26,050	42,300
Redeemed during the period (Units)	83,453	-	-	258,201	-	584,393	926,047

Meezan Islamic Fund

Invested during the period (Rs in '000)	20,048	168,546	10,000	3,000	500	-	202,094
Invested during the period (Units)	316,621	2,607,990	158,605	47,581	7,931	-	3,138,728
Redeemed during the period (Rs in '000)	110,450	41,480	113,050	4,300	500	-	269,780
Redeemed during the period (Units)	1,806,550	663,891	1,806,796	70,089	8,366	-	4,355,692

Meezan Daily Income Fund

Invested during the period (Rs in '000)	337,713	209,819	225,858	90,724	29,340	-	893,454
Invested during the period (Units)	6,754,833	4,196,373	4,517,167	1,814,477	586,804	-	17,869,654
Redeemed during the period (Rs in '000)	206,333	116,774	140,388	58,262	17,720	-	539,476
Redeemed during the period (Units)	4,127,239	2,335,471	2,807,758	1,165,232	354,391	-	10,790,091
Dividend during the period (Rs in '000)	3,037	1,961	2,047	784	256	-	8,085

Meezan Islamic Income Fund

Invested during the period (Rs in '000)	160,143	99,744	107,388	43,512	14,830	-	425,617
Invested during the period (Units)	3,044,367	1,896,166	2,041,471	827,170	281,913	-	8,091,087
Redeemed during the period (Rs in '000)	160,329	99,861	107,513	43,562	14,846	-	426,111
Redeemed during the period (Units)	3,044,367	1,896,166	2,041,471	827,170	281,913	-	8,091,087

Meezan Rozana Amdani Fund

Invested during the period (Rs in '000)	3,286	2,071	2,421	880	288	29,192	38,137
Invested during the period (Units)	65,728	41,413	48,418	17,594	5,753	583,837	762,743
Redeemed during the period (Rs in '000)	180,727	115,376	132,909	54,977	15,408	244,901	744,298
Redeemed during the period (Units)	3,614,533	2,307,530	2,658,182	1,099,545	308,152	4,898,019	14,885,961
Dividend during the period (Rs in '000)	3,286	2,071	2,421	880	288	7,192	16,137

Meezan Sovereign Fund

Invested during the period (Rs in '000)	-	-	-	-	-	198,451	198,451
Invested during the period (Units)	-	-	-	-	-	3,713,278	3,713,278
Redeemed during the period (Rs in '000)	-	-	-	-	-	1,130	1,130
Redeemed during the period (Units)	-	-	-	-	-	21,092	21,092

For the period ended December 31, 2020						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
------(Unaudited)-----						
Al Meezan Investment Management Limited - Management Company						
Remuneration for the period (Rs in '000)	28	6	9	16	9	77
Sindh Sales Tax on management fee (Rs in '000)	4	1	1	2	1	10
Allocated expenses (Rs in '000)	429	228	307	227	199	1,458
Redeemed during the period (Rs in '000)	-	68,876	-	-	-	68,876
Redeemed during the period (Units)	-	1,999,600	-	-	-	1,999,600
Meezan Bank Limited						
Profit on saving account (Rs in '000)	50	35	92	41	16	306
Shariah advisory fee (Rs in '000)	40	20	28	20	6	133
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee (Rs in '000)	300	159	215	159	48	1,020
Sindh Sales Tax on trustee fee (Rs in '000)	39	21	28	21	6	133
Al Meezan Mutual Fund						
Invested during the period (Rs in '000)	15,400	2,600	14,000	1,600	600	34,200
Invested during the period (Units)	994,191	156,755	822,633	96,465	36,174	2,106,218
Redeemed during the period (Rs in '000)	17,000	49,000	-	40,000	-	106,000
Redeemed during the period (Units)	1,168,168	3,180,930	-	2,635,324	-	6,984,422
Meezan Dedicated Equity Fund						
Invested during the period (Rs in '000)	-	4,000	-	-	-	4,000
Invested during the period (Units)	-	96,045	-	-	-	96,045
Redeemed during the period (Rs in '000)	74,000	-	-	-	-	74,000
Redeemed during the period (Units)	1,909,091	-	-	-	-	1,909,091
Meezan Islamic Fund						
Invested during the period (Rs in '000)	101,000	41,500	15,000	11,000	3,500	172,000
Invested during the period (Units)	1,903,093	769,610	288,979	313,061	66,279	3,341,022
Redeemed during the period (Rs in '000)	85,500	55,500	264,850	384,500	111,090	901,440
Redeemed during the period (Units)	1,559,604	1,050,075	4,957,220	7,166,644	2,025,945	16,759,488
Meezan Islamic Income Fund						
Invested during the period (Rs in '000)	48,000	26,000	43,500	45,000	9,000	171,500
Invested during the period (Units)	924,876	500,875	838,091	866,998	173,568	3,304,408
Redeemed during the period (Rs in '000)	81,100	54,257	131,800	186,056	46,120	499,333
Redeemed during the period (Units)	1,543,534	1,036,610	2,524,149	3,569,425	882,283	9,556,001
Meezan Rozana Amdani Fund						
Invested during the period (Rs in '000)	-	-	-	-	40,427	40,427
Invested during the period (Units)	-	-	-	-	808,549	808,549
Redeemed during the period (Rs in '000)	-	-	-	-	770	770
Redeemed during the period (Units)	-	-	-	-	15,400	15,400
Dividend during the period (Rs in '000)	-	-	-	-	440	440
Meezan Sovereign Fund						
Redeemed during the period (Rs in '000)	-	-	-	-	95,620	95,620
Redeemed during the period (Units)	-	-	-	-	1,808,650	1,808,650

11. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is as follows

	As at December 31, 2021					
	MSAP - I	MSAP - II	MSAP - III	MSAP - IV	MSAP - V	M CPP - III
	-----Percentage (%)-----					
Total Expense Ratio (TER)	0.29	0.30	0.30	0.28	0.29	0.29
Government levy and SECP fee included in TER	0.03	0.03	0.03	0.03	0.03	0.03

	As at December 31, 2020					
	MSAP - I	MSAP - II	MSAP - III	MSAP - IV	MSAP - V	M CPP - III
	-----Percentage (%)-----					
Total Expense Ratio (TER)	0.61	0.60	0.65	0.72	0.7	0.32
Government levy and SECP fee included in TER	0.39	0.39	0.44	0.51	0.48	0.11

The above ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Fund of Fund Scheme.

12. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

13. 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. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

13.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

As at December 31, 2021 (unaudited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
	1,688,572	-	1,688,572
Financial assets at fair value through profit or loss			
Units of mutual funds			
-	1,688,572	-	1,688,572
<hr/>			
As at June 30, 2021 (audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
	2,189,463	-	2,189,463
Financial assets at fair value through profit or loss			
Units of mutual funds			
-	2,189,463	-	2,189,463
<hr/>			

14 GENERAL

Figures have been rounded off to the nearest thousand rupees.

15 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

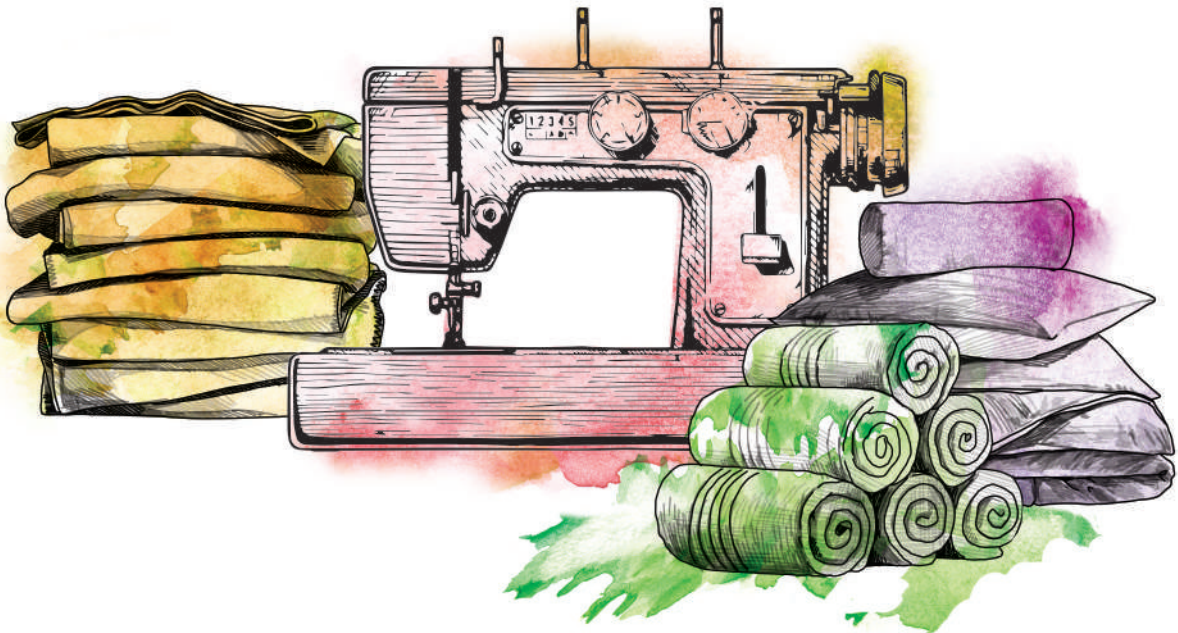


Al Meezan
Investment Management Ltd.

MEEZAN

STRATEGIC ALLOCATION FUND II (MSAF II)

Meezan Strategic Allocation Fund-II is a Shariah Compliant scheme which will use active asset allocation strategy for providing competitive returns on your investment. It is a unique asset allocation fund for investors who wish to benefit from the equity market and want an actively managed investment portfolio with diversification.



TEXTILE GROUP
EXPORTS
REGISTERED
AN INCREASE
OF



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
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Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road, Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Bank Al Habib Limited - Islamic Banking
Meezan Bank Limited

LEGAL ADVISER

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TRANSFER AGENT

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Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

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Meezan Bank Limited

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Fax: (92-21) 34326020 - 23
URL: www.cdcPakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN STRATEGIC ALLOCATION 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 Meezan Strategic Allocation Fund – II (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Strategic Allocation Fund - II** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Khattab Muhammad Akhi Baig**
Date: February 26, 2022
Karachi



MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT AUGUST 27, 2021 AND DECEMBER 31, 2021

----- (Unaudited) -----							
December 31, 2021						As at August 27, 2021	
Note	MCP-IV	MCP-V	MCP-VI	MCP-VII	Total	MCP-VIII	
----- (Rupees in '000) -----							
Assets							
Balances with banks	5	338	522	63	193	1,116	21
Investments	6	723,869	84,611	82,033	97,589	988,102	-
Receivable against sale of investments		-	-	-	-	-	31,646
Profit receivable on savings accounts		2	-	1	1	4	12
Total assets		<u>724,209</u>	<u>85,133</u>	<u>82,097</u>	<u>97,783</u>	<u>989,222</u>	<u>31,679</u>
Liabilities							
Payable to Al Meezan Investment Management Limited - Management Company	7	72	26	8	10	116	3
Payable to Central Depository Company of Pakistan Limited - Trustee		50	6	6	7	69	2
Payable to the Securities and Exchange Commission of Pakistan		76	9	9	10	104	11
Payable against redemption and conversion of units		-	356	61	36	453	60
Accrued expenses and other liabilities	8	624	53	52	51	780	155
Total liabilities		<u>822</u>	<u>450</u>	<u>136</u>	<u>114</u>	<u>1,522</u>	<u>231</u>
Net assets		<u>723,387</u>	<u>84,683</u>	<u>81,961</u>	<u>97,669</u>	<u>987,700</u>	<u>31,448</u>
Contingencies and commitments	9						
Unit holders' fund (as per statement attached)		<u>723,387</u>	<u>84,683</u>	<u>81,961</u>	<u>97,669</u>	<u>987,700</u>	<u>31,448</u>
----- (Number of units) -----							
Number of units in issue		<u>12,959,964</u>	<u>1,518,446</u>	<u>1,461,594</u>	<u>1,792,110</u>		<u>628,960</u>
----- (Rupees) -----							
Net asset value per unit		<u>55.8171</u>	<u>55.7698</u>	<u>56.0760</u>	<u>54.4993</u>		<u>50.0000</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT AUGUST 27, 2021 AND DECEMBER 31, 2021

		June 30, 2021 (Audited)					
Note	MCP-IV	MCP-V	MCP-VI	MCP-VII	MCP-VIII	Total	
----- (Rupees in '000) -----							
Assets							
Balances with banks	5	587	754	518	349	751	2,959
Investments	6	770,586	94,642	93,190	104,349	34,706	1,097,473
Profit receivable		2	3	1	1	3	10
Total assets		<u>771,175</u>	<u>95,399</u>	<u>93,709</u>	<u>104,699</u>	<u>35,460</u>	<u>1,100,442</u>
Liabilities							
Payable to AI Meezan Investment Management Limited - Management Company	7	73	29	10	10	15	137
Payable to Central Depository Company of Pakistan Limited - Trustee		52	7	7	7	2	75
Payable to the Securities and Exchange Commission of Pakistan		181	30	31	24	10	276
Payable against redemption and conversion of units		51	87	62	36	-	236
Dividend payable		-	16	-	-	-	16
Accrued expenses and other liabilities	8	4,028	810	566	311	159	5,874
Total liabilities		<u>4,385</u>	<u>979</u>	<u>676</u>	<u>388</u>	<u>186</u>	<u>6,614</u>
Net assets		<u>766,790</u>	<u>94,420</u>	<u>93,033</u>	<u>104,311</u>	<u>35,274</u>	<u>1,093,828</u>
Contingencies and commitments	9						
Unit holders' fund (as per statement attached)		<u>766,790</u>	<u>94,420</u>	<u>93,033</u>	<u>104,311</u>	<u>35,274</u>	<u>1,093,828</u>
----- (Number of units) -----							
Number of units in issue		<u>13,753,675</u>	<u>1,739,188</u>	<u>1,727,570</u>	<u>1,972,703</u>	<u>669,672</u>	
----- (Rupees) -----							
Net asset value per unit		<u>55.7516</u>	<u>54.2898</u>	<u>53.8520</u>	<u>52.8771</u>	<u>52.6736</u>	

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED AUGUST 27, 2021 AND SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

(Unaudited)						
Six months period ended December 31, 2021						For the period from July 01, 2021 to August 27, 2021
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total	MCPPIV
(Rupees in '000)						
Income						
	(930)	(531)	-	(370)	(1,831)	-
	10	9	7	5	31	19
	14,943	2,675	3,014	3,259	23,891	440
	14,023	2,153	3,021	2,894	22,091	459
	Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets fair value through profit or loss'					
6.1	(14,959)	(144)	308	121	(14,674)	-
	(936)	2,009	3,329	3,015	7,417	459
Total (loss) / income						
Expenses						
	5	4	2	1	12	1
7.1	1	-	-	-	1	-
	417	50	49	56	572	6
7.2	266	32	31	36	365	4
	35	4	4	5	48	1
	76	9	9	10	104	1
	203	25	25	28	281	-
	118	14	14	16	162	1
	132	16	15	18	181	3
	12	5	5	3	25	1
	(3,179)	(611)	(380)	(239)	(4,409)	(136)
8.1	(1,914)	(452)	(226)	(66)	(2,658)	(118)
	978	2,461	3,555	3,081	10,075	577
	-	-	-	-	-	-
	978	2,461	3,555	3,081	10,075	577
Net income for the period before taxation						
Taxation						
12	-	-	-	-	-	-
	978	2,461	3,555	3,081	10,075	577
Net income for the period after taxation						
Allocation of net income for the period						
	978	2,461	3,555	3,081	10,075	577
	(130)	(214)	(304)	(174)	(822)	(49)
	848	2,247	3,251	2,907	9,253	528
Accounting income available for distribution						
	-	-	308	-	308	-
	848	2,247	2,943	2,907	8,945	528
	848	2,247	3,251	2,907	9,253	528

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED AUGUST 27, 2021 AND SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

		Six months period ended December 31, 2020					
Note	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total	
(Rupees in '000)							
Income							
	26,504	4,486	2,531	1,134	775	35,430	
Net realised gain on sale of investments							
Profit on savings accounts with banks	31	57	19	8	4	119	
Dividend income	2,329	3,565	277	222	111	6,504	
	28,864	8,108	2,827	1,364	890	42,053	
Net unrealised appreciation on re-measurement of investments classified as 'financial assets fair value through profit or loss'	6.1	41,288	42	5,524	4,202	1,759	52,815
Total income		70,152	8,150	8,351	5,566	2,649	94,868
Expenses							
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	12	5	4	4	1	26
Sindh Sales Tax on remuneration of the Management Company		2	1	1	1	-	5
Allocated expenses	7.2	509	91	95	64	31	790
Remuneration of Central Depository Company of Pakistan Limited - Trustee		356	64	66	45	22	553
Sindh Sales Tax on remuneration of the Trustee		46	8	9	6	3	72
Annual fee to the Securities and Exchange Commission of Pakistan		102	18	19	13	6	158
Auditors' remuneration		178	37	36	23	12	286
Fees and subscription		209	60	47	26	14	356
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	1,375	157	161	108	51	1,852
Bank and settlement charges		1	-	-	-	-	1
Total expenses		2,790	441	438	290	140	4,099
Net income for the period before taxation		67,362	7,709	7,913	5,276	2,509	90,769
Taxation	12	-	-	-	-	-	-
Net income for the period after taxation		67,362	7,709	7,913	5,276	2,509	90,769
Allocation of net income for the period							
Net income for the period after taxation		67,362	7,709	7,913	5,276	2,509	90,769
Income already paid on units redeemed		(11,434)	(1,440)	(1,669)	(499)	(440)	(15,482)
		55,928	6,269	6,244	4,777	2,069	75,287
Accounting income available for distribution							
- Relating to capital gains		55,928	4,528	6,244	4,777	2,069	73,546
- Excluding capital gains		-	1,741	-	-	-	1,741
		55,928	6,269	6,244	4,777	2,069	75,287

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED AUGUST 27, 2021 AND SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

For the quarter ended December 31, 2021					
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total
(Rupees in '000)					
Income					
Net realised loss on sale of investments	(345)	(359)	-	(367)	(1,071)
Profit on savings accounts with banks	7	5	4	2	18
Dividend income	6,598	1,137	1,262	1,387	10,384
	<u>6,260</u>	<u>783</u>	<u>1,266</u>	<u>1,022</u>	<u>9,331</u>
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets fair value through profit or loss'	(649)	324	308	392	375
Total income	<u>5,611</u>	<u>1,107</u>	<u>1,574</u>	<u>1,414</u>	<u>9,706</u>
Expenses					
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	3	2	1	-
Sindh Sales Tax on remuneration of the Management Company	7.2	1	-	-	-
Allocated expenses	7.2	204	24	24	27
Remuneration of Central Depository Company of Pakistan Limited - Trustee		131	15	15	18
Sindh Sales Tax on remuneration of the Trustee		17	2	2	3
Annual fee to the Securities and Exchange Commission of Pakistan		37	4	4	5
Auditors' remuneration		108	13	13	14
Fees and subscription		50	4	6	6
Bank and settlement charges		2	3	-	1
Total expenses		<u>553</u>	<u>67</u>	<u>65</u>	<u>74</u>
Net income for the period before taxation		<u>5,058</u>	<u>1,040</u>	<u>1,509</u>	<u>1,340</u>
Taxation	12	-	-	-	-
Net income for the period after taxation		<u>5,058</u>	<u>1,040</u>	<u>1,509</u>	<u>1,340</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED AUGUST 27, 2021 AND SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

For the quarter ended December 31, 2020						
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
Note	(Rupees in '000)					
Income						
Net realised gain on sale of investments	17,996	1	2,307	719	734	21,757
Profit on savings accounts with banks	20	24	10	5	1	60
Dividend income	1,632	2,470	277	222	111	4,712
	19,648	2,495	2,594	946	846	26,529
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets fair value through profit or loss'	14,792	(6)	(52)	891	60	15,685
Total income	34,440	2,489	2,542	1,837	906	42,214
Expenses						
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	5	2	1	3	11
Sindh Sales Tax on remuneration of the Management Company		1	-	-	-	1
Allocated expenses	7.2	231	42	42	30	360
Remuneration of Central Depository Company of Pakistan Limited - Trustee		161	29	29	21	251
Sindh Sales Tax on remuneration of the Trustee		21	4	4	3	34
Annual fee to the Securities and Exchange Commission of Pakistan		46	8	8	6	71
Auditors' remuneration		80	15	14	10	124
Fees and subscription		76	31	25	15	154
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	676	47	48	35	823
Total expenses		1,297	178	171	123	1,829
Net income for the period before taxation		33,143	2,311	2,371	1,714	40,385
Taxation	12	-	-	-	-	-
Net income for the period after taxation		33,143	2,311	2,371	1,714	40,385

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED AUGUST 27, 2021 AND SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021					For the period from July 01, 2021 to August 27, 2021
	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total	MCPPIV
	(Rupees in '000)					
Net income for the period after taxation	978	2,461	3,555	3,081	10,075	577
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	<u>978</u>	<u>2,461</u>	<u>3,555</u>	<u>3,081</u>	<u>10,075</u>	<u>577</u>

	Six months period ended December 31, 2020					
	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total
	(Rupees in '000)					
Net income for the period after taxation	67,362	7,709	7,913	5,276	2,509	90,769
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	<u>67,362</u>	<u>7,709</u>	<u>7,913</u>	<u>5,276</u>	<u>2,509</u>	<u>90,769</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED AUGUST 27, 2021 AND SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	For the quarter ended December 31, 2021					Total
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	
	------(Rupees in '000)-----					
Net income for the period after taxation	5,058	1,040	1,509	1,340	-	8,947
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	<u>5,058</u>	<u>1,040</u>	<u>1,509</u>	<u>1,340</u>	<u>-</u>	<u>8,947</u>

	For the quarter ended December 31, 2020					Total
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	
	------(Rupees in '000)-----					
Net income for the period after taxation	33,143	2,311	2,371	1,714	846	40,385
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	<u>33,143</u>	<u>2,311</u>	<u>2,371</u>	<u>1,714</u>	<u>846</u>	<u>40,385</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	December 31, 2021			December 31, 2021			December 31, 2021			December 31, 2021			December 31, 2021			For the period from July 01, 2021 to August 27, 2021		
	MCCP-IV			MCCP-V			MCCP-VI			MCCP-VII			Total			MCCP-VIII		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Accumulated loss	Total
(Rupees in '000)																		
Net assets at the beginning of the period	693,203	73,587	766,790	86,523	7,897	94,420	88,017	5,016	93,033	98,911	5,400	104,311	966,654	91,900	1,058,554	36,443	(1,169)	35,274
Issuance of units:																		
MCCP-IV: nil / MCCP-V: nil / MCCP-VI: nil / MCCP-VII: nil units																		
MCCP-VIII: 40,092 units																		
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,112	-	2,112
- Element of loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(107)	-	(107)
Total proceeds on issuance of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,005	-	2,005
Redemption of units:																		
MCCP-IV: 793,711 / MCCP-V: 220,742 / MCCP-VI: 265,976 / MCCP-VII: 180,593 / MCCP-VIII: 80,804 units																		
- Capital value (at net asset value per unit at the beginning of the period)	44,251	-	44,251	11,984	-	11,984	14,323	-	14,323	9,549	-	9,549	80,107	-	80,107	4,256	-	4,256
- Element of income / (loss)	-	130	130	-	214	214	-	304	304	-	174	174	-	822	822	-	49	49
Total payments on redemption of units	44,251	130	44,381	11,984	214	12,198	14,323	304	14,627	9,549	174	9,723	80,107	822	80,929	4,256	49	4,305
Total comprehensive income for the period	-	978	978	-	2,461	2,461	-	3,555	3,555	-	3,081	3,081	-	10,075	10,075	-	577	577
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,103)	(2,103)
Net income for the period less distribution	-	978	978	-	2,461	2,461	-	3,555	3,555	-	3,081	3,081	-	10,075	10,075	-	(1,526)	(1,526)
Net assets at the end of the period	648,952	74,435	723,387	74,539	10,144	84,683	73,694	8,267	81,961	89,362	8,307	97,669	886,547	101,153	987,700	34,192	(2,744)	31,448
Undistributed income / (accumulated loss) brought forward																		
- Realised income / (loss)		31,011			7,038			5,016			5,250			48,315			(1,169)	
- Unrealised income		42,576			859			-			150			43,585			-	
		<u>73,587</u>			<u>7,897</u>			<u>5,016</u>			<u>5,400</u>			<u>91,900</u>			<u>(1,169)</u>	
Accounting income available for distribution																		
- Relating to capital gains		-			-			308			-			308			-	
- Excluding capital gains		848			2,247			2,943			2,907			8,945			528	
		<u>848</u>			<u>2,247</u>			<u>3,251</u>			<u>2,907</u>			<u>9,253</u>			<u>528</u>	
Distribution during the period		-			-			-			-			-			(2,103)	
Undistributed income carried forward		<u>74,435</u>			<u>10,144</u>			<u>8,267</u>			<u>8,307</u>			<u>101,153</u>			<u>(2,744)</u>	
Undistributed income carried forward																		
- Realised income / (loss)		89,394			10,288			7,959			8,186			115,827			(2,744)	
- Unrealised (loss) / income		(14,959)			(144)			308			121			(14,674)			-	
		<u>74,435</u>			<u>10,144</u>			<u>8,267</u>			<u>8,307</u>			<u>101,153</u>			<u>(2,744)</u>	
Net asset value per unit at the beginning of the period			Rupees		Rupees			Rupees			Rupees			Rupees			Rupees	
			<u>55.7516</u>		<u>54.2898</u>			<u>53.8520</u>			<u>52.8771</u>			<u>52.8771</u>			<u>52.6736</u>	
Net asset value per unit at the end of the period			<u>55.8171</u>		<u>55.7698</u>			<u>56.0760</u>			<u>54.4993</u>			<u>54.4993</u>			<u>50.0000</u>	

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2020			Six months period ended December 31, 2020			Six months period ended December 31, 2020			Six months period ended December 31, 2020			Six months period ended December 31, 2020			Six months period ended December 31, 2020		
	MCCPP-IV			MCCPP-V			MCCPP-VI			MCCPP-VII			MCCPP-VIII			Total		
	Capital value	(Accumulated loss) / undistributed income	Total	Capital value	Undistributed income	Total	Capital value	(Accumulated loss) / undistributed income	Total	Capital value	(Accumulated loss) / undistributed income	Total	Capital value	(Accumulated loss) / undistributed income	Total	Capital value	(Accumulated loss) / undistributed income	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	1,122,392	(10,007)	1,112,385	215,481	882	216,363	214,933	(1,453)	213,480	137,452	(1,848)	135,604	67,469	(3,598)	63,871	1,757,727	(16,024)	1,741,703
Redemption of units: MCCPP-IV: 6,636,329 / MCCPP-V: 1,379,754 / MCCPP-VI: 1,261,623 / MCCPP-VII: 413,724 / MCCPP-VIII: 285,929 units																		
- Capital value (at net asset value per unit at the beginning of the period)	329,651	-	329,651	69,371	-	69,371	63,249	-	63,249	20,359	-	20,359	14,028	-	14,028	496,658	-	496,658
- Element of loss	-	11,434	11,434	-	1,440	1,440	-	1,669	1,669	-	499	499	-	440	440	-	15,482	15,482
Total payments on redemption of units	329,651	11,434	341,085	69,371	1,440	70,811	63,249	1,669	64,918	20,359	499	20,858	14,028	440	14,468	496,658	15,482	512,140
Total comprehensive income for the period	-	67,362	67,362	-	7,709	7,709	-	7,913	7,913	-	5,276	5,276	-	2,509	2,509	-	90,769	90,769
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	67,362	67,362	-	7,709	7,709	-	7,913	7,913	-	5,276	5,276	-	2,509	2,509	-	90,769	90,769
Net assets at the end of the period	792,741	45,921	838,662	146,110	7,151	153,261	151,684	4,791	156,475	117,093	2,929	120,022	53,441	(1,529)	51,912	1,261,069	59,263	1,320,332
(Accumulated loss) / undistributed income brought forward																		
- Realised (loss) / income		(9,537)			805			(1,529)			(1,897)			(3,621)			(15,779)	
- Unrealised (loss) / income		(470)			77			76			49			23			(245)	
		(10,007)			882			(1,453)			(1,848)			(3,598)			(16,024)	
Accounting income available for distribution																		
- Relating to capital gains	55,928	-		4,528	-		6,244	-		4,777	-		2,069	-		73,546	-	
- Excluding capital gains	-			1,741			-			-			-			1,741		
	55,928			6,269			6,244			4,777			2,069			75,287		
Undistributed income / (accumulated loss) carried forward	45,921			7,151			4,791			2,929			(1,529)			59,263		
Undistributed income / (accumulated loss) carried forward																		
- Realised income / (loss)	4,633			7,109			(733)			(1,273)			(3,288)			6,448		
- Unrealised income	41,288			42			5,524			4,202			1,759			52,815		
	45,921			7,151			4,791			2,929			(1,529)			59,263		
		Rupees			Rupees			Rupees			Rupees			Rupees			Rupees	
Net asset value per unit at the beginning of the period		49.6737			50.2777			50.1329			49.2089			49.0635			51.2486	
Net asset value per unit at the end of the period		53.2230			52.4219			52.2164			51.2486			51.1010				

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021					For the period from July 01, 2021 to August 27, 2021
	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	Total	M CPP-VIII
Note (Rupees in '000)						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income for the period before taxation	978	2,461	3,555	3,081	10,075	577
Adjustments for:						
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets fair value through profit or loss'	6.1 14,959	144	(308)	(121)	14,674	-
	15,937	2,605	3,247	2,960	24,749	577
Decrease / (increase) in assets						
Investments - net	31,758	9,887	11,465	6,881	59,991	34,706
Receivable against sale of investments	-	-	-	-	-	(31,646)
Profit receivable on savings accounts	-	3	-	-	3	(9)
	31,758	9,890	11,465	6,881	59,994	3,051
(Decrease) / increase in liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	(1)	(3)	(2)	-	(6)	(12)
Payable to Central Depository Company of Pakistan Limited - Trustee	(2)	(1)	(1)	-	(4)	-
Payable to the Securities and Exchange Commission of Pakistan	(105)	(21)	(22)	(14)	(162)	1
Accrued expenses and other liabilities	(3,404)	(757)	(514)	(260)	(4,935)	(4)
	(3,512)	(782)	(539)	(274)	(5,107)	(15)
Net cash generated from operating activities	44,183	11,713	14,173	9,567	79,636	3,613
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts against issuance and conversion of units	-	-	-	-	-	2,005
Payments against redemption and conversion of units	(44,432)	(11,929)	(14,628)	(9,723)	(80,712)	(4,245)
Dividend paid	-	(16)	-	-	(16)	(2,103)
Net cash used in financing activities	(44,432)	(11,945)	(14,628)	(9,723)	(80,728)	(4,343)
Net decrease in cash and cash equivalents during the period	(249)	(232)	(455)	(156)	(1,092)	(730)
Cash and cash equivalents at the beginning of the period	587	754	518	349	2,208	751
Cash and cash equivalents at the end of the period	5 338	522	63	193	1,116	21

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2020					
	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total
Note -----(Rupees in '000)-----						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income for the period before taxation	67,362	7,709	7,913	5,276	2,509	90,769
Adjustments for:						
Net unrealised appreciation on re-measurement of investment classified as 'financial assets fair value through profit or loss'	6.1 (41,288)	(42)	(5,524)	(4,202)	(1,759)	(52,815)
	26,074	7,667	2,389	1,074	750	37,954
Decrease / (increase) in assets						
Investments - net	319,269	69,747	62,039	21,114	13,617	485,786
Receivable against sale of investments	1,190	3,120	(1,010)	100	(250)	3,150
Advances, deposits and other receivables	101	40	28	13	7	189
	320,560	72,907	61,057	21,227	13,374	489,125
(Decrease) / increase in liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	(17)	16	(4)	(1)	-	(6)
Payable to Central Depository Company of Pakistan Limited - Trustee	(15)	(5)	(4)	(1)	-	(25)
Payable to the Securities and Exchange Commission of Pakistan	(163)	(48)	(38)	(21)	(12)	(282)
Payable against purchase of investments	25	25	5	4	2	61
Accrued expenses and other liabilities	(3,087)	(736)	93	(187)	(24)	(3,941)
	(3,257)	(748)	52	(206)	(34)	(4,193)
Net cash generated from operating activities	343,377	79,826	63,498	22,095	14,090	522,886
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments against redemption and conversion of units	(342,250)	(75,401)	(63,916)	(20,953)	(14,179)	(516,699)
Dividend paid	(2,190)	(744)	(25)	(1,242)	(16)	(4,217)
Net cash used in financing activities	(344,440)	(76,145)	(63,941)	(22,195)	(14,195)	(520,916)
Net (decrease) / increase in cash and cash equivalents during the period	(1,063)	3,681	(443)	(100)	(105)	1,970
Cash and cash equivalents at the beginning of the period	1,366	2,299	692	175	339	4,871
Cash and cash equivalents at the end of the period	303	5,980	249	75	234	6,841

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN STRATEGIC ALLOCATION FUND - II
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED AUGUST 27, 2021 AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Strategic Allocation Fund - II (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed under the Trust Act, 1882 on January 15, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 14, 2017 under 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 Fund is registered as a notified entity under the NBFC Regulations issued through S.R.O.1203(I)/2008 on October 10, 2016. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on September 2, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund has been formed to enable the unit holders to participate in a diversified portfolio of Equity Schemes and Fixed Income / Money Market Schemes, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.3 The Fund is an open-end Shariah compliant Fund of Funds Scheme. Units are offered for public subscription on a continuous basis till the end of the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of SECP after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unit holders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund.

1.4 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.

1.5 The Management Company has been assigned a quality rating of 'AM1' by VIS dated December 27, 2021 (2020: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: 'AM1' dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.6 The Fund is an open-end Shariah compliant Fund of Funds Scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Meezan Capital Preservation Plan-IV (M CPP-IV), Meezan Capital Preservation Plan-V (M CPP-V), Meezan Capital Preservation Plan-VI (M CPP-VI), Meezan Capital Preservation Plan-VII (M CPP-VII) and Meezan Capital Preservation Plan-VIII (M CPP-VIII) by investing in Shariah compliant Fixed Income / Money Market and Equity Mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans. The management may also invest in other Collective Investments Schemes available to it with prior approval of the SECP. A brief description of the plans is as follows:

<p>Meezan Capital Preservation Plan-IV (M CPP-IV)</p>	<p>Low risk - High return through asset allocation This allocation plan commenced its operations from March 06, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan was two and a half years from the close of the subscription period (i.e. April 30, 2018). However, the SECP has approved extension and in accordance with such extension granted vide its letter No. SCD/AMCW/MSAFII/97/2020 dated October 28, 2020, the plan shall mature on October 30, 2022. Units shall be subject to front end load.</p>
<p>Meezan Capital Preservation Plan-V (M CPP-V)</p>	<p>Low risk - High return through asset allocation This allocation plan commenced its operations from May 04, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two and a half years from the close of the subscription period (i.e. July 6, 2018). However, the SECP has approved extension and in accordance with such extension granted vide its letter No. SCD/AMCW/MSAFII/150/2020 dated December 23, 2020, the plan shall mature on January 5, 2022. Units shall be subject to front end load.</p>

Meezan Capital Preservation Plan-VI (MCPPI-VI)	<p>Low risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from July 10, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan was two and a half years from the close of the subscription period (i.e. September 14, 2018). However, the SECP has approved extension and in accordance with such extension granted vide letter No. SCD/AMCW/MSAFII/196/2021 dated February 25, 2021, the plan shall mature on March 14, 2022. Units shall be subject to front end load.</p>
Meezan Capital Preservation Plan-VII (MCPPI-VII)	<p>Low risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from September 26, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two and a half years from the close of the subscription period (i.e. December 5, 2018). However, the SECP has approved extension and in accordance with such extension granted vide letter No. SCD/AMCW/MSAFII/238/2021 dated May 18, 2021, the plan shall mature on June 5, 2022. Units shall be subject to front end load.</p>
Meezan Capital Preservation Plan-VIII (MCPPI-VIII)	<p>Low risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from December 17, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan was two and a half years from the close of the subscription period i.e. February 2019. Units shall be subject to front end load.</p>

Each allocation plan announces separate Net Asset Value which ranks pari passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.

- 1.7 During the current period, Meezan Capital Preservation Plan - VIII (MCPPI-VIII) matured on August 27, 2021 as per the provisions of the offering document.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34, 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS

(Unaudited)						
December 31, 2021						As at August 27, 2021
Note	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	Total	M CPP-VIII
----- (Rupees in '000) -----						
Savings accounts	338	522	63	193	1,116	21

June 30, 2021 (Audited)						
Note	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total
----- (Rupees in '000) -----						
Savings accounts	577	754	518	349	751	2,949
Current account	10	-	-	-	-	10

	587	754	518	349	751	2,959

5.1 This includes balances maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.50% (June 30, 2021: 2.50%) per annum. Other savings accounts of the Fund has expected profit rate of 3.41% (June 30, 2021: 3.86%) per annum.

6. INVESTMENTS

(Unaudited)						
December 31, 2021						As at August 27, 2021
Note	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	Total	M CPP-VIII
----- (Rupees in '000) -----						
Units of open ended mutual funds	723,869	84,611	82,033	97,589	988,102	-

At fair value through profit or loss

June 30, 2021 (Audited)						
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total

At fair value through profit or loss

Units of open ended mutual funds

(Rupees in '000)						
6.1	770,586	94,642	93,190	104,349	34,706	1,097,473

6.1 Units of open ended mutual funds

Name of the investee funds	As at July 1, 2021	Purchased / reinvested during the period	Redeemed during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution) / appreciation as at December 31, 2021	Percentage in relation to	
								Net assets of the Plan	Total market value of investments
(Number of units)					(Rupees in '000)			(Percentage)	

Meezan Capital Preservation Plan - IV

Meezan Dedicated Equity Fund	7,491,425	86,412	1,086,053	6,491,784	304,455	287,858	(16,597)	39.79	39.77
Meezan Rozana Amdani Fund	8,383,770	1,088,858	9,472,628	-	-	-	-	-	-
Meezan Sovereign Fund	-	8,206,996	79,300	8,127,696	434,373	436,011	1,638	60.27	60.23
Total as at December 31, 2021					738,828	723,869	(14,959)	100.06	100.00

Total as at June 30, 2021

728,010	770,586	42,576
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Meezan Capital Preservation Plan - V

Meezan Dedicated Equity Fund	329,431	82,941	220,953	191,419	8,918	8,488	(430)	10.02	10.03
Meezan Rozana Amdani Fund	1,583,794	233,496	1,817,290	-	-	-	-	-	-
Meezan Sovereign Fund	-	1,435,803	16,780	1,419,023	75,837	76,123	286	89.89	89.97
Total as at December 31, 2021					84,755	84,611	(144)	99.91	100.00

Total as at June 30, 2021

93,783	94,642	859
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Meezan Capital Preservation Plan - VI

Meezan Rozana Amdani Fund	1,863,801	60,288	1,924,089	-	-	-	-	-	-
Meezan Sovereign Fund	-	1,529,172	-	1,529,172	81,725	82,033	308	100.09	100.00
Total as at December 31, 2021					81,725	82,033	308	100.09	100.00

Total as at June 30, 2021

93,190	93,190	-
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Meezan Capital Preservation Plan - VII

Meezan Dedicated Equity Fund	181,851	109,863	173,673	118,041	5,460	5,234	(226)	5.36	5.36
Meezan Rozana Amdani Fund	1,916,378	215,175	2,131,553	-	-	-	-	-	-
Meezan Sovereign Fund	-	1,746,554	24,964	1,721,590	92,008	92,355	347	94.56	94.64
Total as at December 31, 2021					97,468	97,589	121	99.92	100.00

Total as at June 30, 2021

104,199	104,349	150
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Meezan Capital Preservation Plan - VIII

Meezan Rozana Amdani Fund	694,122	8,804	702,926	-	-	-	-	-	-
Total as at December 31, 2021					-	-	-	-	-

Total as at June 30, 2021

34,706	34,706	-
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Total investments in units of mutual funds

Meezan Dedicated Equity Fund	8,002,707	279,216	1,480,679	6,801,244	318,833	301,580	(17,253)	30.53	30.52
Meezan Rozana Amdani Fund	14,441,865	1,606,621	16,048,486	-	-	-	-	-	-
Meezan Sovereign Fund	-	12,918,525	121,044	12,797,481	683,943	686,522	2,579	69.51	69.48

Total as at December 31, 2021

1,002,776	988,102	(14,674)	100.04	100.00
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Total as at June 30, 2021

1,053,888	1,097,473	43,585	100.34	100.00
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7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

(Unaudited)						
December 31, 2021						As at August 27, 2021
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total	MCPPIV
----- (Rupees in '000) -----						
Remuneration payable	3	-	-	1	4	-
Sindh Sales Tax payable on remuneration of the Management Company	1	-	-	-	1	-
Allocated expenses payable	68	26	8	9	111	3
	<u>72</u>	<u>26</u>	<u>8</u>	<u>10</u>	<u>116</u>	<u>3</u>

June 30, 2021 (Audited)						
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total
----- (Rupees in '000) -----						
Remuneration payable	2	1	1	1	11	16
Sindh Sales Tax payable on remuneration of the Management Company	-	-	-	-	1	1
Allocated expenses payable	71	28	9	9	3	120
	<u>73</u>	<u>29</u>	<u>10</u>	<u>10</u>	<u>15</u>	<u>137</u>

7.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (December 31, 2020: 1%) per annum of the daily bank balance of all the respective plans of the Fund during the period ended December 31, 2021. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged such expenses at the rate of 0.11% (December 31, 2020: 0.1%) of the average annual net assets of the respective plans of the Fund during the period ended December 31, 2021, subject to total expense charged being lower than actual expense incurred.

8. ACCRUED EXPENSES AND OTHER LIABILITIES

(Unaudited)						
December 31, 2021						As at August 27, 2021
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total	MCPPIV
----- (Rupees in '000) -----						
Auditors' remuneration payable	188	22	22	33	265	13
Withholding tax payable	14	-	-	-	14	99
Shariah advisor fee payable	113	12	11	13	149	6
Printing charges payable	214	9	8	1	232	-
Provision for Sindh Workers' Welfare Fund (SWWF) 8.1	-	-	-	-	-	-
Capital gain tax payable	55	10	9	-	74	13
Zakat payable	40	-	2	4	46	24
	<u>624</u>	<u>53</u>	<u>52</u>	<u>51</u>	<u>780</u>	<u>155</u>

As at June 30, 2021 (Audited)						
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total
----- (Rupees in '000) -----						
Auditors' remuneration payable	209	34	36	35	12	326
Withholding tax payable	16	29	-	-	-	45
Shariah advisor fee payable	105	13	14	13	5	150
Printing charges payable	212	9	8	-	2	231
Provision for Sindh Workers' Welfare Fund (SWWF) 8.1	3,179	611	380	239	136	4,545
Capital gain tax payable	307	59	80	24	4	474
Zakat payable	-	55	48	-	-	103
	<u>4,028</u>	<u>810</u>	<u>566</u>	<u>311</u>	<u>159</u>	<u>5,874</u>

- 8.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

9. CONTINGENCIES AND COMMITMENTS

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

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

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

The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

	----- (Unaudited) -----					As at August 27, 2021
	December 31, 2021					
Balances	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total	MCPPIV
Al Meezan Investment Management Limited - Management Company						
Remuneration payable (Rs. in '000)	3	-	-	1	4	-
Sindh Sales Tax payable on remuneration of the Management Company (Rs. in '000)	1	-	-	-	1	-
Allocated expenses payable (Rs. in '000)	68	26	8	9	111	3

Balances
Meezan Bank Limited

Bank balance (Rs. in '000)

Profit receivable (Rs. in '000)

Shariah advisor fee payable

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable (Rs. in '000)

Sindh Sales Tax payable on remuneration of the Trustee (Rs. in '000)

Directors and Executives of the Management Company

Investment (Rs. in '000)

Investment (Units)

Meezan Dedicated Equity Fund

Investment (Rs. in '000)

Investment (Units)

Meezan Sovereign Fund

Investment (Rs. in '000)

Investment (Units)

Unitholders holding 10% or more units of the Fund

Investment (Rs. in '000)

Investment (Units)

Balances
AI Meezan Investment Management Limited - Management Company

Remuneration payable (Rs. in '000)

Sindh Sales Tax payable on remuneration of the Management Company (Rs. in '000)

Allocated expenses payable (Rs. in '000)

Meezan Bank Limited

Bank balance (Rs. in '000)

Profit receivable (Rs. in '000)

Shariah advisor fee payable

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable (Rs. in '000)

Sindh Sales Tax payable on remuneration of the Trustee (Rs. in '000)

Directors and Executives of the Management Company

Investment (Rs. in '000)

Investment (Units)

Meezan Dedicated Equity Fund

Investment (Rs. in '000)

Investment (Units)

Meezan Rozana Amdani Fund

Investment (Rs. in '000)

Investment (Units)

----- (Unaudited) -----					
December 31, 2021					As at August 27, 2021
MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total	MCPPIV
327	511	63	193	1,094	21
2	-	1	1	4	12
113	12	11	13	149	6
44	5	5	6	60	2
6	1	1	1	9	-
5,721	-	-	-	5,721	-
102,501	-	-	-	102,501	-
287,858	8,488	-	5,234	301,580	-
6,491,784	191,419	-	118,041	6,801,244	-
436,011	76,123	82,033	92,355	686,522	-
8,127,696	1,419,023	1,529,172	1,721,590	12,797,481	-
188,444	8,558	13,026	53,797	263,825	-
3,376,099	153,451	232,300	987,119	4,748,969	-
As at June 30, 2021 (Audited)					
MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total
2	1	1	1	11	16
-	-	-	-	1	1
71	28	9	9	3	120
577	744	518	349	751	2,939
2	4	1	1	3	11
105	13	14	13	5	150
46	6	6	6	2	66
6	1	1	1	-	9
5,715	-	-	-	-	5,715
102,501	-	-	-	-	102,501
351,398	15,452	-	8,530	-	375,380
7,491,424	329,430	-	181,851	-	8,002,705
419,188	79,190	93,190	95,819	34,706	722,093
8,383,764	1,583,794	1,863,802	1,916,379	694,122	14,441,861

Balances

Unit holders holding 10% or more units of the Fund

Investment (Rs. in '000)

Investment (Units)

As at June 30, 2021 (Audited)					
MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total
188,223	-	12,510	52,196	3,371	256,300
3,376,099	-	232,300	987,119	63,996	4,659,514

Transactions during the period

Al Meezan Investment Management Limited - Management Company

Remuneration for the period (Rs. in '000)

Sindh Sales Tax on remuneration of the Management Company (Rs. in '000)

Allocated expenses (Rs. in '000)

----- (Unaudited) -----					For the period from July 01, 2021 to August 27, 2021
For the six months period ended December 31, 2021					
MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total	MCPPIV
5	4	2	1	12	1
1	-	-	-	1	-
417	50	49	56	572	6

Meezan Bank Limited

Profit on savings accounts (Rs. in '000)

Shariah advisor fee

10	9	7	5	31	19
98	12	11	13	134	1

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the period (Rs. in '000)

Sindh Sales Tax on remuneration of the Trustee (Rs. in '000)

266	32	31	36	365	4
35	4	4	5	48	1

Meezan Dedicated Equity Fund

Invested during the period (Rs. in '000)

Invested during the period (Units)

Redeemed during the period (Rs. in '000)

Redeemed during the period (Units)

4,000	3,800	-	5,000	12,800	-
86,412	82,941	-	109,863	279,216	-
50,000	9,800	-	7,700	67,500	-
1,086,053	220,953	-	173,673	1,480,679	-

Meezan Rozana Amdani Fund

Invested during the period (Rs. in '000)

Invested during the period (Units)

Redeemed during the period (Rs. in '000)

Redeemed during the period (Units)

Dividend received during the period (Rs. in '000)

Dividend received during the period (Units)

54,443	11,675	3,014	10,759	79,891	440
1,088,858	233,496	60,288	215,175	1,597,817	8,804
473,631	90,865	96,204	106,578	767,278	35,146
9,472,628	1,817,290	1,924,089	2,131,553	15,345,560	702,926
14,943	2,675	3,014	3,259	23,891	440
298,858	53,496	60,288	65,174	477,816	8,804

Meezan Sovereign Fund

Invested during the period (Rs. in '000)

Invested during the period (Units)

Redeemed during the period (Rs. in '000)

Redeemed during the period (Units)

438,611	76,734	81,724	92,308	689,377	-
8,206,996	1,435,803	1,529,172	1,746,554	12,918,525	-
4,250	900	-	300	5,450	-
79,300	16,780	-	24,964	121,044	-

Al Meezan Investment Management Limited - Management Company

Remuneration for the period (Rs. in '000)

Sindh Sales Tax on remuneration of the Management Company (Rs. in '000)

Allocated expenses (Rs. in '000)

----- (Unaudited) -----					
For the six months period ended December 31, 2020					
MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total
12	5	4	4	1	26
2	1	1	1	-	5
509	91	95	64	31	790

Meezan Bank Limited

Profit on savings account (Rs. in '000)

Shariah advisor fee (Rs. in '000)

31	57	19	8	4	119
87	16	16	11	5	135

Central Depository Company of Pakistan Limited - Trustee

 Remuneration for the period (Rs. in '000)
 Sindh Sales Tax on remuneration of the Trustee (Rs. in '000)

----- (Unaudited) -----					
For the six months period ended December 31, 2020					
MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	MCPP - VIII	Total
356	64	66	45	22	553
46	8	9	6	3	72

Meezan Dedicated Equity Fund

 Invested during the period (Rs. in '000)
 Invested during the period (Units)
 Redeemed during the period (Rs. in '000)
 Redeemed during the period (Units)

344,782	21,350	-	-	-	366,132
8,631,553	500,654	-	-	-	9,132,207
128,636	5,966	-	-	-	134,602
3,210,362	148,193	-	-	-	3,358,555

Meezan Cash Fund

 Invested during the period (Rs. in '000)
 Invested during the period (Units)
 Redeemed during the period (Rs. in '000)
 Redeemed during the period (Units)

165,000	29,000	-	-	-	194,000
3,239,124	569,301	-	-	-	3,808,425
165,077	29,014	-	-	-	194,091
3,239,124	569,301	-	-	-	3,808,425

Meezan Sovereign Fund

 Invested during the period (Rs. in '000)
 Invested during the period (Units)
 Redeemed during the period (Rs. in '000)
 Redeemed during the period (Units)

203,815	25,791	-	-	-	229,606
3,862,692	488,350	-	-	-	4,351,042
905,602	247,600	89,840	42,464	24,500	1,310,006
17,098,170	4,705,066	1,693,748	801,781	460,255	24,759,020

Meezan Rozana Amdani Fund

 Invested during the period (Rs. in '000)
 Invested during the period (Units)
 Redeemed during the period (Rs. in '000)
 Redeemed during the period (Units)
 Dividend received during the period (Rs. in '000)
 Dividend received during the period (Units)

312,761	196,042	25,269	20,215	10,108	564,395
6,255,214	3,920,835	505,386	404,309	202,154	11,287,898
172,815	63,837	-	-	-	236,652
3,456,297	1,276,740	-	-	-	4,733,037
2,329	3,565	277	222	111	6,504
46,574	71,305	5,549	4,439	2,219	130,087

11. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2021 based on current period results is as follows:

	As at December 31, 2021			
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII
Total Expense Ratio (TER)	0.33%	0.35%	0.35%	0.34%
Government levies (included in TER)	0.03%	0.03%	0.03%	0.03%

	As at December 31, 2020				
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII
Total Expense Ratio (TER)	0.41%	0.40%	0.38%	0.37%	0.37%
Government levies (included in TER)	0.17%	0.12%	0.12%	0.11%	0.11%

The above ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a 'Fund of Funds Scheme'.

12. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these condensed interim financial statements.

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

13. FAIR VALUE MEASUREMENT

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

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

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

13.1 Fair value hierarchy

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

		(Unaudited)			
		As at December 31, 2021			
		Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----			
ASSETS					
Financial assets 'at fair value through profit or loss'					
Units of open ended mutual funds		-	988,102	-	988,102
		<u>-</u>	<u>988,102</u>	<u>-</u>	<u>988,102</u>
		(Audited)			
		As at June 30, 2021			
		Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----			
ASSETS					
Financial assets 'at fair value through profit or loss'					
Units of open ended mutual funds		-	1,097,473	-	1,097,473
		<u>-</u>	<u>1,097,473</u>	<u>-</u>	<u>1,097,473</u>

14. GENERAL

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

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN

STRATEGIC ALLOCATION FUND III (MSAF III)

Meezan Strategic Allocation Fund-III is a Shariah Compliant scheme which aims to earn potentially high returns through investment as per respective Allocation Plans by investing in Shariah Compliant Fixed Income/Money Market Collective Investment Schemes and Equity based Collective Investment Schemes.



THE **INDUSTRIAL**
SECTOR
REGISTERED
A GROWTH
OF



AGAINST
A TARGET
OF 0.1%

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road, Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Bank Al Habib Limited - Islamic Banking
Meezan Bank Limited
Dubai Islamic Bank Pakistan Limited

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN STRATEGIC ALLOCATION 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 Meezan Strategic Allocation Fund – III (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 23, 2022



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Strategic Allocation Fund - III** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2021. The Management Company (Al Meezan Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

A.F. Ferguson & Co.

Chartered Accountants

Engagement Partner: **Khattab Muhammad Akhi Baig**

Date: February 26, 2022

Karachi



**MEEZAN STRATEGIC ALLOCATION FUND - III
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021**

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
		M CPP-IX	
	Note	----- (Rupees in '000) -----	
Assets			
Balances with banks	5	310	508
Investments	6	95,785	100,108
Advance, deposits and other receivable		20	2
Total assets		<u>96,115</u>	<u>100,618</u>
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	7	12	11
Payable to Central Depository Company of Pakistan Limited - Trustee		7	7
Payable to the Securities and Exchange Commission of Pakistan		10	19
Accrued expenses and other liabilities	8	210	660
Total liabilities		<u>239</u>	<u>697</u>
Net assets		<u>95,876</u>	<u>99,921</u>
Unit holders' fund (as per statement attached)		<u>95,876</u>	<u>99,921</u>
Contingencies and commitments	9		
		----- (Number of units) -----	
Number of units in issue		<u>1,671,007</u>	<u>1,737,054</u>
		----- (Rupees) -----	
Net asset value per unit		<u>57.3762</u>	<u>57.5234</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - III
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31,		Quarter ended December 31,	
		2021	2020	2021	2020
MCPPI-IX					
		----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Income					
Realised (loss) / gain on sale of investments		(38)	3,480	-	751
Profit on balance with banks		2	3	1	2
Dividend income		1,895	179	838	172
		<u>1,859</u>	<u>3,662</u>	<u>839</u>	<u>925</u>
Net unrealised (diminution) / appreciation on re-measurement of investments 'at fair value through profit or loss'	6.1	(2,021)	8,107	(121)	3,235
Total income		<u>(162)</u>	<u>11,769</u>	<u>718</u>	<u>4,160</u>
Expenses					
Remuneration to AI Meezan Investment Management Limited - Management Company	7.1	1	1	-	-
Sindh Sales Tax on remuneration to Management Company		-	-	-	-
Allocated expenses	7.2	54	48	27	24
Remuneration to Central Depository Company of Pakistan Limited - Trustee		34	33	17	16
Sindh Sales Tax on remuneration of the Trustee		4	4	2	2
Annual fee to the Securities and Exchange Commission of Pakistan		10	10	5	5
Legal and professional charges		184	-	-	-
Auditors' remuneration		63	102	42	54
Bank and settlement charges		3	-	2	-
Fees and subscription		145	144	75	76
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	8.1	(429)	229	-	80
Total expenses		<u>69</u>	<u>571</u>	<u>170</u>	<u>257</u>
Net (loss) / income for the period before taxation		<u>(231)</u>	<u>11,198</u>	<u>548</u>	<u>3,903</u>
Taxation	12	-	-	-	-
Net (loss) income for the period after taxation		<u>(231)</u>	<u>11,198</u>	<u>548</u>	<u>3,903</u>
Allocation of net income for the period					
Net income for the period after taxation		-	11,198		
Income already paid on units redeemed		-	(270)		
		<u>-</u>	<u>10,928</u>		
Accounting income available for distribution					
- Relating to capital gains		-	10,928		
- Excluding capital gains		-	-		
		<u>-</u>	<u>10,928</u>		

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND - III
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021**

	Six months period ended December 31,		Quarter ended December 31,	
	2021	2020	2021	2020
MCPPI-IX				
----- (Rupees in '000) -----				
Net (loss) / income for the period after taxation	(231)	11,198	548	3,903
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(231)</u>	<u>11,198</u>	<u>548</u>	<u>3,903</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND - III
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021**

Note	Six months period ended	
	2021	2020
	M CPP-IX	
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(231)	11,198
Adjustments for:		
Net unrealised diminution / (appreciation) on re-measurement of investments 'at fair value through profit or loss'	2,021	(8,107)
	1,790	3,091
Decrease / (increase) in assets		
Investments - net	2,302	377
Advance, deposits and other receivable	(18)	(18)
	2,284	359
Increase / (decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	1	1
Payable to the Securities and Exchange Commission of Pakistan	(9)	(8)
Payable against purchase of investments	-	3
Accrued expenses and other liabilities	(450)	(412)
	(458)	(416)
Net cash generated from operating activities	3,616	3,034
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments against redemption and conversion of units	(3,814)	(3,382)
Net cash used in financing activities	(3,814)	(3,382)
Net decrease in cash and cash equivalents	(198)	(348)
Cash and cash equivalents at the beginning of the period	508	447
Cash and cash equivalents at the end of the period	5 310	99

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

**For AI Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - III
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Strategic Allocation Fund - III (the Fund) was established under a Trust Deed executed under the Trust Act, 1882 between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on January 24, 2019 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (NBFC Rules). The Fund is registered as a Notified entity under Non-Banking Finance Companies and Notified Entities Regulations, 2008, (NBFC Regulations) issued through S.R.O.1203(I)/2008 on October 10, 2016. The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Consequently, the Fund is required to be registered under the Sindh Trust Act. Accordingly, on September 2, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund has been formed to enable the unitholders to participate in a diversified portfolio of equity schemes and fixed income / money market schemes, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.3 The Fund is an open-end Shariah compliant Fund of Funds Scheme. Units are offered for public subscription on a continuous basis till the end of the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the SECP after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unitholders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on Pakistan Stock Exchange Limited.

1.4 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. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.

1.5 The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 27, 2021 (2020: AM1 dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: AM1 dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.6 The Fund generates returns on investment as per allocation plan (sub fund) namely Meezan Capital Preservation Plan-IX (MCPPI-IX) by investing in Shariah compliant fixed income / money market and equity mutual funds in line with the risk tolerance of the investor. The management may also invest in other Collective Investments Schemes available to it with prior approval of SECP.

1.7 A brief description of the plan is as follows:

<p>Meezan Capital Preservation Plan-IX (MCPPI-IX)</p>	<p>Low risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from May 14, 2019 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes. The initial maturity of this plan is two and a half years from the close of the subscription period i.e. January 29, 2022. Units shall be subject to front end load. Subsequent to the period end, the SECP vide letter no. SCD/AMCW/MSAFIII/227/2022 dated January 25, 2022 has granted extension to the plan and the plan shall now mature on August 30, 2024.</p>
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2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

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

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
5. BALANCES WITH BANKS	Note	MCPPI-IX	
		----- (Rupees in '000) -----	

Savings accounts	5.1	310	508
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5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 2.50% (June 30, 2021: 2.50%) per annum. Other saving accounts have an expected profit which ranges from 2.50% to 3.41% per annum (June 30, 2021: 2.50% to 6.60% per annum).

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
6. INVESTMENTS	Note	MCPPI-IX	
		----- (Rupees in '000) -----	

At fair value through profit or loss

Units of mutual funds	6.1	95,785	100,108
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6.1 Units of mutual funds

Name of investee funds	As at July 01, 2021	Purchased during the period	Sold during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised (diminution) / appreciation as at December 31, 2021	Percentage in relation to	
								Market value on the basis of net assets of the Fund	Total market value of investments
					----- (Rupees in '000) -----		----- (Percentage) -----		

Meezan Capital Preservation Plan - IX

Meezan Dedicated Equity Fund	965,243	-	93,542	871,701	40,889	38,653	(2,236)	40	40
Meezan Rozana Amdani Fund	1,096,628	97,908	1,194,536	-	-	-	-	-	-
Meezan Sovereign Fund	-	1,064,988	-	1,064,988	56,917	57,132	215	60	60
Total as at December 31, 2021					97,806	95,785	(2,021)		
Total as at June 30, 2021					93,011	100,108	7,097		

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	MCPPI-IX	
		----- (Rupees in '000) -----	

Management fee payable	7.1	-	-
Sindh Sales Tax payable on remuneration of the Management Company		-	-
Allocated expenses payable	7.2	12	11
		<u>12</u>	<u>11</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1.00% (2020: 1.00%) per annum of the daily bank balances of the Fund during the period. The remuneration is payable to the Management Company monthly in arrears.

- 7.2** In accordance with regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has currently charged 0.11% (2020: 0.1%) of the average annual net assets of the scheme for allocation of such expenses to the Fund for the year for the period subject to the total expense charged not being higher than actual expense incurred.

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	MCCP-IX	
		----- (Rupees in '000) -----	
8 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		63	80
Shariah advisory fee payable		147	147
Capital gain tax payable		-	4
Provision for Sindh Workers' Welfare Fund	8.1	-	429
		<u>210</u>	<u>660</u>

- 8.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Funds, for the period from May 20, 2019 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in the condensed interim financial statements of the Fund.

9. CONTINGENCIES AND COMMITMENTS

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

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

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

Detail of transactions with connected persons and balances with them are as follows:

	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
Balances	MCCP-IX	
	----- (Rupees in '000) -----	
AI Meezan Investment Management Limited - Management Company		
Allocated expenses	12	11
Investment of 1,478,213 units (June 30, 2021: 1,478,213 units)	84,814	85,032
Meezan Bank Limited		
Bank balance	290	488
Profit receivable	3	2
Shariah advisory fee payable	147	147
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	6	6
Sindh Sales Tax on trustee fee payable	1	1
Meezan Dedicated Equity Fund		
Investment of 871,701 units (June 30, 2021: 965,243 units)	38,653	45,277
Meezan Sovereign Fund		
Investment of 1,064,988 units (June 30, 2021: nil units)	57,132	-
Meezan Rozana Amdani Fund		
Investment of nil units (June 30, 2021: 1,096,628 units)	-	54,831
	For the six months period ended December 31,	
	2021	2020
	(Unaudited)	
Transactions during the period	MCCP IX	
	(Rupees in '000)	
AI Meezan Investment Management Limited - the Management Company		
Remuneration of AI Meezan Investment Management Limited - Management Company	1	1
Allocated expenses	54	48
Meezan Bank Limited		
Profit on balance with banks	2	3
Shariah advisor fee	135	135
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	34	33
Sindh Sales Tax on remuneration of the Trustee	4	4
Meezan Dedicated Equity Fund		
Invested during the period	-	31,200
Invested during the period (Units)	-	792,068
Redeemed during the period	4,350	30,497
Redeemed during the period (Units)	93,542	775,197



For the six months period
ended December 31,

2021 2020

(Unaudited)

MCPP IX

(Rupees in '000)

Meezan Sovereign Fund

Invested during the period	56,917	24,080
Invested during the period (Units)	1,064,988	462,505
Redeemed during the period	-	43,908
Redeemed during the period (Units)	-	835,433

Meezan Rozana Amdani Fund

Invested during the period	4,895	18,274
Invested during the period (Units)	97,908	365,486
Redeemed during the period	59,727	3,005
Redeemed during the period (Units)	1,194,536	60,109
Dividend received during the period	1,895	179
Dividend received during the period (Units)	37,908	3,584

11. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.02% (2020: 0.96%) which includes 0.03% (2020: 0.27%) representing government levies such as sales taxes and the SECP Fee. The ratio is within the maximum limit of 2.5% (excluding government levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as a Fund of Funds Scheme.

12. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability as the fund has incurred net loss during the period.

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

13 FAIR VALUE MEASUREMENT

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

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

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

ASSETS

As at December 31, 2021 (Unaudited)		
Level 1	Level 2	Level 3

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

Financial assets 'at fair value through profit or loss'

Units of mutual funds

-	95,785	-
---	--------	---

As at June 30, 2021 (Audited)		
Level 1	Level 2	Level 3

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

Financial assets 'at fair value through profit or loss'

Units of mutual funds

-	100,108	-
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14. GENERAL

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

15. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Management Company.

**For Al Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

MEEZAN

TAHAFFUZ PENSION FUND (MTPF)

Meezan Tahaffuz Pension Fund is Pakistan's first and the largest Shariah Compliant Voluntary Pension Scheme. MTPF is the best way to save and invest for your post-retirement needs and it has the potential to deliver superior returns with the added advantage of providing Tax Benefits which significantly enhances the yield on your investment.



**DRAMATIC
UPSWING**
IN BUSINESS CONFIDENCE
WITH
**AN IMPROVEMENT
OF**



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

M/s Yousuf Adil
Chartered Accountants
Cavish Court, A-35 Shahrah-e-Faisal, K.C.H.S.U Block 7 & 8 Bangalore Town, Karachi

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited	Habib Bank Limited -Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	Habib Metropolitan Bank Limited
Askari Bank Limited - Islamic Banking	MCB Islamic Bank Limited
Bank Al Habib Limited - Islamic Banking	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan - Islamic Banking
Bank Islami Pakistan Limited	Sindh Bank Limited
The Bank of Punjab	Soneri Bank Limited
Dubai Islamic Bank Pakistan Limited	UBL Ameen - Islamic Banking
Faysal Bank Limited - Islamic Banking	

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
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Phone (+9221) 35156191-94 Fax: (+9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (+9221) 35630722-6, 111-MEEZAN
Fax: (+9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited

Review Report on Condensed Interim Financial Statements to the Participants

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Meezan Tahaffuz Pension Fund** (the Fund) as at December 31, 2021, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in participants' fund, condensed interim statement of cash flow and notes to and forming part of the condensed interim financial statements for the half year ended December 31, 2021 (here-in-after referred to as the 'condensed interim financial statements'). **Al Meezan Investment Management Limited** (the Management Company) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

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 statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures of the condensed interim income statement and condensed interim statement of comprehensive income, for the quarter ended December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2021.

The condensed interim financial information of the Fund for the half year ended December 31, 2020 and the financial statements of the Fund for the year ended June 30, 2021 were reviewed and audited by another firm of chartered accountants, who had expressed unmodified conclusion and opinion thereon vide their reports dated February 25, 2021 and September 07, 2021 respectively.


Chartered Accountants

Engagement Partner
Nadeem Yousuf Adil

Place: Karachi
Date: February 24, 2022



Meezan Tahaffuz Pension Fund
Condensed Interim Statement of Assets and Liabilities
As at December 31, 2021

As at December 31, 2021 (Un-Audited)						As at June 30, 2021 (Audited)	
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund	Total	Total	
----- (Rupees in '000) -----							
ASSETS							
Bank balances	4	134,912	1,355,329	2,013,353	20,606	3,524,200	3,771,829
Investments	5	5,094,592	3,193,442	1,565,665	-	9,853,699	9,499,977
Investment in gold	5.5	-	-	-	114,642	114,642	99,444
Dividend receivable		909	-	-	-	909	21,739
Deposits and other receivables	6	8,002	53,545	25,753	151	87,451	141,767
Receivable against change of plan / change of fund manager / issuance of units		168	169	-	-	337	21,422
Receivable against sale of investments		16,313	-	-	-	16,313	7,696
Total assets		5,254,896	4,602,485	3,604,771	135,399	13,597,551	13,563,874
LIABILITIES							
Payable to AI Meezan Investment Management Limited - Pension Fund Manager	7	1,693	1,669	1,300	43	4,705	1,472
Payable to Central Depository Company of Pakistan Limited - Trustee	8	381	342	264	9	996	953
Payable to auditors		95	95	95	95	380	292
Payable to Securities and Exchange Commission of Pakistan	9	1,033	859	660	24	2,576	3,995
Payable against purchase of investments		40,276	-	-	-	40,276	4,600
Payable against withdrawal / change of plan / Change of fund manager		6,600	6,574	6,621	2	19,797	35,084
Accrued expenses and other liabilities	10	33,953	10,988	3,191	574	48,706	157,702
Total liabilities		84,031	20,527	12,131	747	117,436	204,098
NET ASSETS		5,170,865	4,581,958	3,592,640	134,652	13,480,115	13,359,776
Contingencies and commitments	11						
PARTICIPANTS' SUB - FUNDS (as per statement attached)		5,170,865	4,581,958	3,592,640	134,652	13,480,115	13,359,776
----- (Number of units) -----							
Number of units in issue (as per statement attached)		9,848,160	15,732,551	12,849,017	753,481		
----- (Rupees) -----							
Net assets value per unit		525.0590	291.2406	279.6043	178.7059		

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

For AI Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director

Meezan Tahaffuz Pension Fund
Condensed Interim Income Statement and Statement of Other Comprehensive Income (Un-Audited)
For the six months period ended December 31, 2021

	Note	December 31, 2021				Total	December
		Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund		31, 2020
(Rupees in '000)							
INCOME							
Profit from sukuk certificates and commercial paper		-	92,289	40,537	-	132,826	109,980
Profit on saving accounts with banks		4,903	61,364	64,936	646	131,849	92,304
Profit on term deposit receipts / COMs		-	25,878	28,995	-	54,873	39,752
Dividend income		171,385	-	-	-	171,385	115,812
Unrealised (diminution) / appreciation on 're-measurement of investments at 'fair value through profit or loss' (net)	5.1 & 5.2	(241,616)	(2,774)	(4,230)	-	(248,620)	983,922
Unrealised appreciation on investment in gold	5.5	-	-	-	15,198	15,198	8,466
Net realised (loss) / gain on sale of investments		(86,495)	41	380	-	(86,074)	119,801
Reversal of provision of Sindh Workers' Welfare Fund (SWWF)	10.1	71,887	22,241	13,506	931	108,565	-
Other Income		-	-	-	402	402	305
Total (loss) / income		(79,936)	199,039	144,124	17,177	280,404	1,470,342
EXPENSES							
Remuneration to AI Meezan Investment Management Limited - Pension Fund Manager	7.1	40,753	33,795	25,991	952	101,491	86,806
Sindh Sales Tax remuneration of the Pension Fund Manager	7.2	5,298	4,393	3,379	124	13,194	11,285
Allocated expense	7.3	1,462	1,714	1,316	36	4,528	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	2,096	1,738	1,337	49	5,220	4,630
Sindh Sales Tax on remuneration of the Trustee	8.2	272	226	174	6	678	601
Annual fee to Securities and Exchange Commission of Pakistan	9	1,033	859	660	24	2,576	1,926
Auditors' remuneration		95	95	95	95	380	531
Brokerage charges and custodian fee		4,198	79	23	529	4,829	4,412
Legal and professional charges		46	46	46	46	184	388
Bank and settlement charges		544	86	79	-	709	388
Charity expense		4,278	-	-	-	4,278	3,861
Reversal of Provision for Sindh Workers' Welfare Fund	10.1	-	-	-	-	-	26,813
Total expenses		60,075	43,031	33,100	1,861	138,067	141,253
Net (loss) / income from operating activities		(140,011)	156,008	111,024	15,316	142,337	1,329,089
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)		1,788	1,536	3,339	(436)	6,227	(15,202)
Net (loss) / income for the period before taxation		(138,223)	157,544	114,363	14,880	148,565	1,313,887
Taxation	15	-	-	-	-	-	-
Net (loss) / income for the period after taxation		(138,223)	157,544	114,363	14,880	148,565	1,313,887
Other Comprehensive income		-	-	-	-	-	-
Total comprehensive (loss) / income for the period		(138,223)	157,544	114,363	14,880	148,565	1,313,887

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

For AI Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director



Meezan Tahaffuz Pension Fund
Condensed Interim Income Statement and Statement of Other Comprehensive Income (Un-Audited)
For the three months period ended December 31, 2021

		December 31, 2021				December 31, 2020
		Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund	Total
		Total				
		(Rupees in '000)				
Note						
INCOME						
		-	49,155	22,682	-	71,837
		2,693	31,717	35,609	374	70,393
		-	14,096	12,928	-	27,024
		103,048	-	-	-	103,048
						86,874
						246,981
5.1 & 5.2		(30)	(8,071)	(4,790)	-	(12,891)
5.5		-	-	-	15,890	15,890
						417
		(75,983)	29	380	-	(75,574)
10.1		-	-	-	-	38,993
		-	-	-	95	95
						171
		29,728	86,926	66,809	16,359	199,822
						491,863
EXPENSES						
7.1		19,947	17,139	13,159	491	50,736
7.2		2,593	2,228	1,711	64	6,596
7.3		1,462	1,714	1,316	36	4,528
						-
8.1		1,026	882	677	25	2,610
8.2		133	115	88	3	339
						2,344
9		532	458	351	13	1,354
		71	71	71	71	284
						978
		1,546	56	23	276	1,901
		263	79	77	-	419
						2,432
		2,152	-	-	-	2,152
						3,072
10.1		-	-	-	-	-
						8,399
		29,725	22,742	17,473	979	70,919
						67,857
		3	64,184	49,336	15,380	128,903
						424,006
		2,189	1,288	2,903	(134)	6,246
						(12,406)
		2,192	65,472	52,239	15,246	135,149
						411,600
15		-	-	-	-	-
		2,192	65,472	52,239	15,246	135,149
						411,600
		-	-	-	-	-
		2,192	65,472	52,239	15,246	135,149
						411,600

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

For AI Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director

Meezan Tahaffuz Pension Fund
Condensed Interim Cash Flow Statement (Un-Audited)
For the six months period ended December 31, 2021

	December 31, 2021				Total	December 31, 2020
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund		
	(Rupees in '000)					
CASH FLOW FROM OPERATING ACTIVITIES						
Net (loss) / income for the period before taxation	(138,223)	157,544	114,363	14,880	148,564	1,313,887
Adjustments:						
Unrealised diminution / (appreciation) on 're-measurement of investments at 'fair value through profit or loss' (net)	5.1 & 5.2	241,616	2,774	4,230	-	248,620 (983,922)
Unrealised appreciation on investment in gold	5.5	-	-	-	(15,198)	(15,198) (8,466)
Element of (income) / loss and capital (gains) / loss included in prices of units issued less those in units redeemed (net)		(1,788)	(1,536)	(3,339)	436	(6,227) 15,202
		101,605	158,782	115,254	118	375,759 336,701
(Increase) / Decrease in assets						
Investments (net)		(172,152)	(498,975)	68,785	-	(602,342) (770,865)
Receivable against sale of investments		(8,617)	-	-	-	(8,617) (16,672)
Dividend receivable		20,830	-	-	-	20,830 2,189
Deposits and other receivables		74,611	(13,262)	(6,942)	(91)	54,316 10,455
		(85,328)	(512,237)	61,843	(91)	(535,813) (774,893)
Increase / (Decrease) in liabilities						
Payable to Al Meezan Investment Management Limited - Pension fund Manager		1,161	1,248	973	(149)	3,233 (89)
Payable to Central Depository Company of Pakistan Limited - Trustee		(14)	36	22	(1)	43 126
Payable to Securities and Exchange Commission of Pakistan		(656)	(359)	(383)	(21)	(1,419) (1,294)
Payable to auditors		22	22	22	22	88 160
Payable against purchase of investments		35,676	-	-	-	35,676 7,592
Accrued expenses and other liabilities		(70,985)	(23,457)	(13,661)	(893)	(108,996) (15,897)
		(34,796)	(22,510)	(13,027)	(1,042)	(71,375) (9,402)
Net cash (used in) / generated from operating activities		(18,519)	(375,965)	164,070	(1,015)	(231,429) (447,594)
CASH FLOW FROM FINANCING ACTIVITIES						
Receipts of contribution / change of plan / change of fund manager / issuance of units		498,166	941,808	1,061,321	12,260	2,513,555 2,707,691
Payments on withdrawal / change of plan		(683,556)	(836,662)	(981,544)	(27,993)	(2,529,755) (2,481,037)
Net cash (used in) / generated from financing activities		(185,390)	105,146	79,777	(15,733)	(16,200) 226,654
Net (decrease) / increase in cash and cash equivalents during the period		(203,909)	(270,819)	243,847	(16,748)	(247,629) (220,940)
Cash and cash equivalents at beginning of the period		338,821	1,626,148	1,769,506	37,354	3,771,829 3,004,797
Cash and cash equivalents at end of the period	4	134,912	1,355,329	2,013,353	20,606	3,524,200 2,783,857

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

For Al Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director



Meezan Tahaffuz Pension Fund
Condensed Interim Statement of Movement in Participants Sub Funds (Un-Audited)
For the six months period ended December 31, 2021

	December 31, 2021				Total	December 31, 2020
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund		
	----- (Rupees in '000) -----					
Net assets at beginning of the period	5,511,365	4,334,385	3,378,955	135,071	13,359,776	10,520,698
Amount received on issuance of units (2021: Equity sub fund: 906,736 units; Debt sub fund: 3,249,630 units; Money market sub fund: 3,849,096 units; and Gold sub fund: 75,103 units) (2020: Equity sub fund: 1,325,544 units; Debt sub fund: 3,775,276 units; Money market sub fund: 4,067,322 units; and Gold sub fund: 121,252 units)	486,688	932,201	1,061,321	12,260	2,492,470	2,708,536
Amount paid on withdrawal of units (2021: Equity sub fund: 1,281,948 units; Debt sub fund: 2,929,502 units; Money market sub fund: 3,482,195 units; and Gold sub fund: 171,350 units) (2020: Equity sub fund: 1,479,521 units; Debt sub fund: 2,635,884 units; Money market sub fund: 4,066,252 units; and Gold sub fund: 59,346 units)	(687,177)	(840,636)	(958,660)	(27,995)	(2,514,468)	(2,476,854)
	(200,489)	91,565	102,661	(15,735)	(21,998)	231,682
Element of (income) / losses and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(1,788)	(1,536)	(3,339)	436	(6,227)	15,202
Net realised (loss) / gain on sale of investments	(86,495)	41	380	-	(86,074)	119,801
Unrealised (diminution) / appreciation on 're-measurement of investments at 'fair value through profit or loss' (net)	(241,616)	(2,774)	(4,230)	-	(248,620)	983,922
Unrealised appreciation on investment in gold	-	-	-	15,198	15,198	8,466
Other net income / (loss) for the period	189,888	160,277	118,213	(318)	468,060	201,698
	(138,223)	157,544	114,363	14,880	148,564	1,313,887
Net assets at end of the period	5,170,865	4,581,958	3,592,640	134,652	13,480,115	12,081,469

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

For Al Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director

Meezan Tahaffuz Pension Fund
Condensed Interim Statement of Contribution Table (Un-Audited)
For the six months period ended December 31, 2021

	Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund		Gold Sub Fund		Total	December 31, 2020
	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	(Rupees in '000)	(Rupees in '000)
Contribution net of front end fee for the period										
Individuals										
- issuance / conversion / reallocation of units	<u>906,736</u>	<u>486,688</u>	<u>3,249,630</u>	<u>932,201</u>	<u>3,849,096</u>	<u>1,061,321</u>	<u>75,103</u>	<u>12,260</u>	<u>2,492,470</u>	<u>2,708,536</u>

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

For Al Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director



Meezan Tahaffuz Pension Fund
Condensed Interim Number of Units in Issue (Un-Audited)
For the six months period ended December 31, 2021

December 31, 2021

	Equity Sub Fund	Debt Sub Fund	Money Market Sub	Gold Sub Fund
	(Number of units)			
Total units in issue at beginning of the period	10,223,372	15,412,423	12,482,116	849,728
Add: Units issued / converted / reallocated during the period	906,736	3,249,630	3,849,096	75,103
Less: Units redeemed / converted / reallocated during the period	(1,281,948)	(2,929,502)	(3,482,195)	(171,350)
Total units in issue at the end of the period	9,848,160	15,732,551	12,849,017	753,481

December 31, 2020

	Equity sub fund	Debt sub fund	Money market sub	Gold sub fund
	(Number of units)			
Total units in issue at beginning of the period	10,322,586	12,135,176	12,016,294	754,085
Add: Units issued / converted / reallocated during the period	1,325,544	3,775,276	4,067,322	121,252
Less: Units redeemed / converted / reallocated during the period	(1,479,521)	(2,635,884)	(4,066,252)	(59,346)
Total units in issue at the end of the period	10,168,609	13,274,568	12,017,364	815,991

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

For Al Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director

Meezan Tahaffuz Pension Fund
Notes To The Condensed Interim Financial Statements (Un-Audited)
For the six months period ended December 31, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Tahaffuz Pension Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as trustee. The Trust Deed was executed and approved by the Securities and Exchange Commission of Pakistan on May 30, 2007 under the Voluntary Pension System Rules, 2005 (VPS Rules). The registered office of the Pension Fund Manager of the Fund, is situated at Ground Floor, Block B Finance and Trade Centre Sharah-e-Faisal, Karachi 74400, Pakistan.

The Fund offers a saving mechanism where an individual saves from his / her income during work life in order to retain financial security and comfort in terms of regular income stream after retirement. The Fund comprises of four Shariah compliant sub funds namely Equity Sub-Fund, Debt Sub-Fund, Money Market Sub-Fund and Gold Sub-Fund (collectively the "Sub-Funds"). Participants are offered various investment allocation schemes depending on their investment horizon, return requirements, risk tolerance and any unique circumstances. The Fund offers six types of allocation schemes to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility, Variable Volatility and Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. Allocation scheme can be selected initially at the time of opening of account and subsequently the allocation and percentages may change twice in a financial year. The contributions from participants are invested in various instruments belonging to different asset classes to get full benefits of risk minimization through diversification.

1.2 The Fund has been formed to enable the participants to contribute in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah.

1.3 The Fund is an unlisted pension scheme. Units are offered for public subscription on a continuous basis. The units are non-transferable and can be redeemed by surrendering them to the Fund at the option of the participants.

1.4 Title to the assets of the Sub Funds is held in the name of CDC as a Trustee of the Fund.

1.5 Meezan Bank Limited acts as Shariah Advisor of the Fund to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.6 The Pension Fund Manager has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 27, 2021 (2020: AM1 dated December 31, 2020) and by PACRA dated June 23, 2021 (2020: AM1 dated June 26, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.7 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company has fulfilled requirements for registration and accordingly, the fund has been registered under Sindh Trusts Act, 2020.

2 BASIS OF PREPARATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the approved accounting standards as applicable in Pakistan.

2.1 Statement of compliance

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

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

- Provisions of and directives issued under Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Voluntary Pension System Rules, 2005 (the VPS Rules) , Voluntary Pension System Part V (NBFC Regulations, 2008) 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 VPS Rules and requirements of the trust deed differ from the IFRS standards, provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the VPS Rules 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 IAS - 34. This condensed interim financial information do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

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

- 3.1** The accounting policies adopted for the preparation of this condensed interim financial information are same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.
- 3.2** The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2021.
- 3.3** There are certain standards, interpretations on accounting and reporting standards as applicable in Pakistan and amendments to certain existing standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2021. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant impact on the accounting policies of the Fund and therefore not disclosed in this condensed interim financial information.
- 3.4** The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2021.

4. BANK BALANCES

December 31, 2021 (Un-Audited)						June 30, 2021 (Audited)
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund	Total	Total
Note	----- (Rupees in '000) -----					
Current accounts	7,265	-	-	-	7,265	6,279
Savings accounts	4.1 127,647	1,355,329	2,013,353	20,606	3,516,935	3,765,550
	134,912	1,355,329	2,013,353	20,606	3,524,200	3,771,829

4.1 The balance in savings accounts carry expected profit which ranges from 1.50% to 11.50% (30 June 2021: 1.50% to 7.32%) per annum.

5. INVESTMENTS

December 31, 2021 (Un-Audited)						June 30, 2021 (Audited)
<i>Note</i>	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Total	
Investments by category	----- (Rupees in '000) -----					
At fair value through profit or loss						
Listed equity securities	5.1 5,094,592	-	-	5,094,592	5,164,056	
Sukuk certificates	5.2 -	2,316,859	600,251	2,917,110	2,807,955	
	5,094,592	2,316,859	600,251	8,011,702	7,972,011	
At amortised cost						
Term deposit receipts / COMs	5.3 -	877,846	500,000	1,377,846	1,530,000	
Commercial paper	5.4 -	-	466,185	466,185	-	
Less: Provision for impairment losses	5.2.6 -	(1,263)	(771)	(2,034)	(2,034)	
	5,094,592	3,193,442	1,565,665	9,853,699	9,499,977	

5.1 Listed equity securities - at fair value through profit or loss
Held by Equity Sub-Fund
Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of the investee company	As at 01 July 2021	Purchases during the period	Bonus / Rights issue during the period	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised gain / (loss) as at December 31, 2021	Market value as a percentage of net assets of sub-fund	Percentage of paid-up capital of investee company
Automobile Assembler										
Millat Tractors Limited	96,548	5,000	20,309	-	121,857	109,708	105,070	(4,638)	2.03	0.18
Gandhara Industries Limited	700	42,500	-	-	43,200	10,726	7,636	(3,090)	0.15	0.10
Gandhara Nissan	-	200,000	-	200,000	-	-	-	-	-	-
									2.18	0.28
Automobile Parts & Accessories										
Panther Tyres Limited	51,346	470,000	99,269	512,000	108,615	6,830	4,536	(2,294)	0.09	0.08
Commercial Bank										
BankIslami Pakistan Limited	9,136,000	30,000	-	-	9,166,000	103,004	117,416	14,412	2.27	0.83
Meezan Bank Limited	1,481,659	607,248	305,836	20,000	2,374,743	247,175	318,477	71,302	6.16	0.15
									8.43	0.98
Cement										
D.G Khan Cement Company Limited	815,000	1,180,000	-	898,640	1,096,360	105,196	90,932	(14,264)	1.76	0.25
Lucky Cement Limited	632,456	136,500	-	187,000	581,956	484,860	395,311	(89,549)	7.64	0.18
Maple Leaf Cement Factory Limited	2,465,042	1,600,000	-	650,000	3,415,042	147,467	122,771	(24,696)	2.37	0.31
Kohat Cement Company Limited	666,820	51,000	-	2,000	715,820	146,877	135,004	(11,873)	2.61	0.36
Cherat Cement Company Limited	494,500	362,100	-	7,500	849,100	137,344	125,930	(11,414)	2.44	0.44
Fauji Cement Company Limited	45,000	-	-	-	45,000	1,035	827	(208)	0.02	-
Power Cement Limited	-	1,000,000	-	1,000,000	-	-	-	-	-	-
									16.84	1.54
Chemical										
Dynea Pakistan Limited (Face value of Rs. 5 each)	120,500	-	-	-	120,500	26,631	25,968	(663)	0.50	0.64
Engro Polymer & Chemicals Limited	2,890,209	-	-	225,000	2,665,209	125,904	144,481	18,577	2.79	0.29
ICI Pakistan Limited	156,920	-	-	29,000	127,920	111,137	97,328	(13,809)	1.88	0.14
Sitara Chemical Industries Limited	28,600	-	-	28,600	-	-	-	-	-	-
									5.17	1.07

Name of the investee company	As at 01 July 2021	Purchases during the period	Bonus / Rights issue during the period	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised gain / (loss) as at December 31, 2021	Market value as a percentage of net assets of sub-fund	Percentage of paid-up capital of investee company	
Note	-----Number of shares-----				----- (Rupees in '000) -----				----- % -----		
Engineering											
K.S.B Pumps Company Limited	800	-	-	800	-	-	-	-	-	-	
International Steels Limited	382,000	-	-	382,000	-	-	-	-	-	-	
International Industries Limited	317,550	45,000	-	182,100	180,450	36,800	25,048	(11,752)	0.48	0.14	
Agha Steel Industries Limited	581,000	400,000	16,800	997,800	-	-	-	-	-	-	
Mughal Iron & Steel Industries	616,700	466,500	162,480	-	1,245,680	114,403	129,688	15,285	2.51	0.37	
Aisha Steel Mills Limited	1,325,000	1,300,000	-	2,625,000	-	-	-	-	-	-	
Ittefaq Iron Industries Limited	650,500	400,000	-	-	1,050,500	18,540	12,574	(5,966)	0.24	0.73	
Amreli Steels Limited	-	1,002,000	-	-	1,002,000	46,696	44,850	(1,846)	0.87	0.34	
									4.10	1.58	
Fertilizer											
Engro Corporation Limited	5.1.2	1,088,920	-	-	170,968	917,952	270,438	250,068	(20,370)	4.84	0.16
Engro Fertilizers Limited		841,834	1,317,611	-	-	2,159,445	156,189	164,312	8,123	3.18	0.16
Fauji Fertilizer Bin Qasim Limited		-	698,000	-	-	698,000	17,911	17,296	(615)	0.33	0.05
									8.35	0.37	
Food and Personal Care Products											
National Foods Limited (Face value of Rs. 5)		127,600	-	31,900	-	159,500	29,223	24,344	(4,879)	0.47	0.14
Al-Shaheer Corporation Limited		33,160	-	-	-	33,160	661	447	(214)	0.01	0.01
At- Tahur Limited		-	1,724,000	201,840	42,000	1,883,840	48,616	43,347	(5,269)	0.84	0.95
Unity Foods Limited		910,000	650,000	-	1,560,000	-	-	-	-	-	-
									1.32	1.10	
Glass & Ceramics											
Ghani Glass Limited		1,140,150	-	-	205,000	935,150	45,074	40,726	(4,348)	0.79	0.11
Shabbir Tiles and Ceramics Limited (Face value of Rs. 5 each)		1,379,500	75,000	-	-	1,454,500	48,550	33,948	(14,602)	0.66	0.61
Ghani Global Glass Limited		1,500	-	-	1,500	-	-	-	-	-	-
									1.45	0.72	
Leather & Tanneries											
Service Global Footwear Limited		257,445	-	-	257,445	-	-	-	-	-	-
Oil and Gas Exploration Companies											
Oil and Gas Development Company Limited		2,629,500	525,000	-	50,000	3,104,500	294,007	267,608	(26,399)	5.18	0.07
Pakistan Oilfields Limited	5.1.3	485,559	40,000	-	164,532	361,027	140,960	129,110	(11,850)	2.50	0.13
Pakistan Petroleum Limited		2,693,038	500,000	-	50,000	3,143,038	269,613	248,426	(21,187)	4.80	0.12
Mari Petroleum Company Limited		280,344	31,000	-	-	311,344	477,048	515,035	37,987	9.96	0.23
									22.44	0.55	

Name of the investee company	As at 01 July 2021	Purchases during the period	Bonus / Rights issue during the period	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised gain / (loss) as at December 31, 2021	Market value as a percentage of net assets of sub-fund	Percentage of paid-up capital of investee company
Note	-----Number of shares-----				----- (Rupees in '000) -----				----- % -----	
Oil and Gas Marketing Companies										
Pakistan State Oil Company Limited	1,082,056	197,000	-	175,000	1,104,056	236,934	200,817	(36,117)	3.88	0.24
Attock Petroleum Limited	91,844	-	-	-	91,844	29,485	28,839	(646)	0.56	0.09
Sui Northern Gas Pipelines Limited	1,110,600	825,000	-	-	1,935,600	92,361	64,746	(27,615)	1.25	0.31
Hascol Petroleum Limited	2,588	-	-	-	2,588	23	16	(7)	-	-
									5.69	0.64
Paper and Board										
Packages Limited	221,701	-	-	13,400	208,301	113,566	103,582	(9,984)	2.00	0.23
Century Paper & Board Mills	647,900	-	97,185	-	745,085	79,089	58,936	(20,153)	1.14	0.37
Roshan Packages Limited	41,000	-	-	41,000	-	-	-	-	-	-
Security Paper Limited	51,900	-	-	51,900	-	-	-	-	-	-
									3.14	0.60
Pharmaceuticals										
AGP Limited	528,300	-	-	528,300	-	-	-	-	-	-
GlaxoSmithKline Consumer Healthcare	112,500	-	-	-	112,500	28,135	27,119	(1,016)	0.52	0.10
The Searle Company Limited	506,688	-	143,006	80,000	569,694	106,322	81,876	(24,446)	1.58	0.18
Highnoon Laboratories Limited	43,984	-	-	-	43,984	26,390	27,615	1,225	0.53	0.12
IBL HealthCare Limited	121,000	-	16,380	74,100	63,280	5,860	4,436	(1,424)	0.09	0.10
Ferozsons Laboratories Limited	30,000	-	-	25,500	4,500	1,588	1,466	(122)	0.03	0.01
GlaxoSmithKline Pakistan Limited	-	79,700	-	-	79,700	10,550	10,880	330	0.21	0.03
									2.96	0.54
Power Generation & Distribution										
The Hub Power Company Limited	2,224,543	760,000	-	-	2,984,543	236,087	212,917	(23,170)	4.12	0.23
K-Electric Limited (Face value Rs. 3.5)	15,005,500	2,900,000	-	900,000	17,005,500	69,199	58,499	(10,700)	1.13	0.06
									5.25	0.29
Refinery										
Attock Refinery Limited	125,000	125,000	-	250,000	-	-	-	-	-	-
National Refinery Limited	-	125,000	-	20,000	105,000	28,041	29,882	1,841	0.58	0.05
									0.58	0.05
Textile Composite										
Nishat Mills Limited	857,700	-	-	281,900	575,800	53,722	45,822	(7,900)	0.89	0.16
Feroze1888 Mills Limited	200,000	-	12,000	-	212,000	20,942	15,497	(5,445)	0.30	0.06
Interloop Limited	1,997,000	129,000	63,660	-	2,189,660	149,282	159,167	9,885	3.08	0.24
Kohinoor Textile	50,000	514,500	-	-	564,500	48,495	39,188	(9,307)	0.76	0.19
									5.03	0.65

Name of the investee company	As at 01 July 2021	Purchases during the period	Bonus / Rights issue during the period	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised gain / (loss) as at December 31, 2021	Market value as a percentage of net assets of sub-fund	Percentage of paid-up capital of investee company
Note	-----Number of shares-----					----- (Rupees in '000) -----			----- % -----	
Technology & Communication										
Avanceon Limited	527,260	150,000	-	677,260	-	-	-	-	-	-
Systems Limited	401,555	-	-	64,000	337,555	189,105	256,488	67,383	4.96	0.24
Airlink Communication Limited	-	1,081,500	34,762	629,000	487,262	32,409	28,290	(4,119)	0.55	0.12
Octopus Digital Limited	-	87,336	-	87,336	-	-	-	-	-	-
									5.51	0.36
Miscellaneous										
Synthetic Products Enterprises Limited	4,560	-	-	4,560	-	-	-	-	-	-
Pakistan Aluminium Beverages Cans Limited	-	734,617	-	734,617	-	-	-	-	-	-
									-	-
Total						5,336,208	5,094,592	(241,616)		

5.1.1 Net assets are as defined in Rule 2(1)(m) of VPS Rules.

5.1.2 160,000 shares (June 30, 2021: 160,000 shares) of Engro Corporation Limited having market value of Rs 43.59 million as at December 31, 2021 (June 30, 2021: Rs. 47.14 million) have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

5.1.3 25,000 shares (June 30, 2021 : 25,000 shares) of Pakistan Oilfields Limited having market value of Rs. 8.94 million as at December 31, 2021 (June 30, 2021: Rs. 9.85 million), have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

5.1.4 Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies. The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2021.



5.2 Sukuk certificates - At fair value through profit or loss

5.2.1 Held by Debt Sub-Fund

Name of the Security	Note	As at July 01, 2021	Purchases during the period	Sales / Matured during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised gain / (loss) as at December 31, 2021	Market value as a percentage of Net Assets
		-----Number of certificates-----			(Rupees in '000)			-----%	
Property & Real Estate									
Eden Housing Limited	5.2.1.1	500	-	-	500	-	-	-	-
Leasing Companies									
Security Leasing Corporation Limited II	5.2.1.1	500	-	-	500	-	-	-	-
Fertilizer									
Fatima Fertilizer Company Limited	5.2.1.1	31,640	-	31,640	-	-	-	-	-
Banks									
Dubai Islamic Bank Pakistan Limited	5.2.1.1	57	-	-	57	58,594	58,910	316	1.29
Pharmaceuticals									
AGP Limited	5.2.1.1	500	-	-	500	5,035	5,039	4	0.11
OBS AGP (Private) Limited		-	500	-	500	50,000	50,000	-	1.09
Power Generation & Distribution									
The Hub Power Holding Limited	5.2.1.1 & 5.2.3	2,000	-	-	2,000	185,581	185,581	-	4.05
Cement & Construction									
Javedan Corporation Limited	5.2.1.1	250	-	-	250	20,625	20,464	(161)	0.45
Steel & Allied Products									
Agha Steels Industries Limited	5.2.1.1 & 5.2.4	50	-	-	50	49,892	49,473	(419)	1.08
Chemicals									
Engro Polymer & Chemicals Limited	5.2.1.1	1,500	-	-	1,500	153,150	152,303	(847)	3.32
Miscellaneous									
Shakarganj Foods Product Limited	5.2.1.1 & 5.2.6	18	-	-	18	13,552	13,640	88	0.30
International Brand Limited	5.2.1.1	550	1,100	-	1,650	27,696	27,701	5	0.60
Government Securities									
Pakistan Energy Sukuk I	5.2.1.1 & 5.2.3	110,000	-	-	110,000	587,125	587,125	-	12.81
Pakistan Energy Sukuk II	5.2.1.1 & 5.2.3	92,000	-	-	92,000	463,680	466,900	3,220	10.19
GOP-Ijarah sukuk XXI	5.2.1.1	1,480	-	1,480	-	-	-	-	-
GOP-Ijarah sukuk XXIV	5.2.1.1	3,500	-	-	3,500	353,220	350,630	(2,590)	7.65
GOP-Ijarah sukuk XXV	5.2.1.1	-	3,000	3,000	-	-	-	-	-
GOP-Ijarah sukuk XXVI	5.2.1.1	-	3,500	-	3,500	350,220	347,830	(2,390)	7.59
Non-Performing Investments									
	5.2.5					1,263	1,263	-	
Total						2,319,633	2,316,859	(2,774)	

5.2.1.1 Significant terms and conditions of Sukuk certificates outstanding as at December 31, 2021 are as follows:

Name of security	Original principal (Rupees per certificate)	Mark-up rate (per annum)	Issue date	Maturity date
Eden Housing Limited	984.38	-	31-Dec-07	31-Dec-12
Security Leasing Corporation Limited II	5,000	-	19-Sep-07	19-Sep-12
Fatima Fertilizer Company Limited	5,000	6 months KIBOR + 1.10%	28-Nov-16	28-Nov-21
Dubai Islamic Bank Pakistan Limited	1,000,000	6 months KIBOR + 0.50%	14-Jul-17	14-Jul-27
AGP Limited	100,000	3 months KIBOR + 1.30%	09-Jun-17	09-Jun-22
OBS AGP (Private) Limited	100,000	3 months KIBOR + 1.55%	15-Jul-21	15-Jul-26
Pakistan Energy Sukuk I	10,000	6 months KIBOR + 0.80%	01-Mar-19	01-Mar-29
Pakistan Energy Sukuk II	5,000	6 months KIBOR + 0.1%	21-May-19	21-May-30
Javedan Corporation Limited	100,000	6 months KIBOR + 1.75%	04-Oct-18	04-Oct-26
Agha Steels Industries Limited	1,000,000	3 months KIBOR + 0.80%	09-Oct-18	09-Oct-25
Engro Polymer & Chemicals Limited	100,000	3 months KIBOR + 0.90%	11-Jan-19	11-Jul-26
Shakarganj Foods Product Limited	1,000,000	3 months KIBOR + 1.75%	10-Jul-18	10-Jul-25
International Brand Limited	100,000	3 months KIBOR + 0.50%	15-Nov-17	05-May-22
The Hub Power Holding Limited	100,000	6 months KIBOR + 2.5%	12-Nov-20	12-Nov-25
GOP-Ijarah sukuk XXI	100,000	Weighted average yield of 6 months T-Bills	29-May-20	29-May-25
GOP-Ijarah sukuk XXIV	100,000	Weighted average yield of 6 months T-Bills	09-Dec-20	09-Dec-25
GOP-Ijarah sukuk XXV	100,000	Weighted average yield of 6 months T-Bills	06-Oct-21	06-Oct-26
GOP-Ijarah sukuk XXVI	100,000	Weighted average yield of 6 months T-Bills	29-Oct-21	29-Oct-26

5.2.2 Held by Money Market Sub-Fund

Name of the Security		As at July 01, 2021	Purchases during the period	Sales / Matured during the period	As at December 31,2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised loss as at December 31, 2021	Market value as a percentage of Net Assets
Note		-----Number of certificates-----				(Rupees in '000)			-----%-----
Leasing Companies									
Security Leasing Corporation Limited II	5.2.2.1	500	-	-	500	-	-	-	-
Power Generation & Distribution									
The Hub Power Company Limited	5.2.2.1	3,250	-	3,250	-	-	-	-	-
Government Securities									
GOP-Ijarah sukuk XXIV	5.2.2.1	4,000	-	-	4,000	403,680	400,720	(2,960)	3.12
GOP-Ijarah sukuk XXV	5.2.2.1	-	1,000	1,000	-	-	-	-	-
GOP-Ijarah sukuk XXVI	5.2.2.1	-	3,000	1,000	2,000	200,030	198,760	(1,270)	1.55
Non-Performing Investments	5.2.6					771	771	-	
Total						604,481	600,251	(4,230)	

5.2.2.1 Significant terms and conditions of Sukuk certificates outstanding as at December 31, 2021 are as follows:

Name of security	Original principal (Rupees per certificate)	Mark-up rate (per annum)	Issue date	Maturity date
Security Leasing Corporation Limited II	5,000	-	19-Sep-07	19-Sep-12
GOP-Ijarah sukuk XXIV	100,000	Weighted average yield of 6 months T-Bills	09-Dec-20	09-Dec-25
GOP-Ijarah sukuk XXV	100,000	Weighted average yield of 6 months T-Bills	06-Oct-21	06-Oct-26
GOP-Ijarah sukuk XXVI	100,000	Weighted average yield of 6 months T-Bills	29-Oct-21	29-Oct-26
The Hub Power Company Limited	100,000	6 months KIBOR + 1.10%	05-May-21	05-Nov-21

5.2.3 Sukuks of The Hub Power Holding Limited have been measured at their initial investment value, as their market values are not available at MUFAP. Market value of Pakistan Energy Sukuk I and Pakistan Energy Sukuk II are not available at MUFAP, therefore the Fund has applied the Market value determined by the PSX.

5.2.4 The Fund has applied discretionary mark-up on December 27, 2021 to the fair value of the security. Post to discretionary mark-up the price of Shakarganj Food Products Limited and Engro Polymer & Chemical Limited has decreased from Rs. 103.4130 (MUFAP Price) to Rs. 101.0358 per unit and from Rs. 107.6053 (MUFAP Price) to Rs.101.5350 per unit respectively.

5.2.5 As at December 31, 2021, rating of Shakarganj Foods Product Limited was BBB+ which is lower than the minimum prescribed rating, which at the time of investment was compliant with SECP criteria and investment policy of the Fund.

5.2.6 The agreement with the Securities Leasing Corporation Limited (SLCL) had been amended on 19 February 2012. In accordance with the revised terms no mark-up is payable on the said sukuk with the approval of the contributories to the sukuk certificate. The sukuk certificates have been classified as non-performing by MUFAP on April 03, 2012. Therefore, in accordance with the requirement of SECP's circular No. 33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the provisioning policy, amount of Rs. 1.542 million in both debt and money market sub fund has also been held as a provision against principal as at December 31, 2021.

On May 6, 2011, Eden Housing sukuk certificates have been classified as non-performing by MUFAP therefore, in accordance with the requirement of SECP's Circular No.33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the said Circular, an amount of Rs. 0.492 million has also been held as provision against the outstanding principal as at December 31, 2021.

Following investments of the Fund are in the sukuk which are below 'investment grade' securities:

	Non-performing investment	Type of Investment	Cost	Provision held (Rupees in '000)	Net carrying value
Debt Sub Fund					
	Eden Housing Limited	Non-traded sukuk	492	492	-
	Security Leasing Corporation Limited II	Non-traded sukuk	771	771	-
			<u>1,263</u>	<u>1,263</u>	<u>-</u>
Money Market Sub Fund					
	Security Leasing Corporation Limited II	Non-traded sukuk	771	771	-

5.3 Term deposit receipts / COMs - at amortised cost

5.3.1 Held by Debt Sub-Fund

Name of the Bank	Rating	Maturity date	Profit rate per annum	As at July 01, 2021	TDR's placed during the period	Matured during the period	As at December 31, 2021	Market Value as a Percentage of Net Assets
----- (Rupees in '000) -----								%
Orix Modaraba	AA+	April 29, 2022	10.05%	220,000	-	-	220,000	4.80
First Habib Modarba	AA+	December 01, 2021	7.80%	200,000	-	200,000	-	-
First Habib Modarba	AA+	December 21, 2021	9.30%	200,000	-	200,000	-	-
First Habib Modarba	AA+	February 04, 2022	11.65%	-	207,846	-	207,846	4.54
The Bank Of Punjab	AA+	March 15, 2022	11.25%	-	450,000	-	450,000	9.82
				620,000	657,846	400,000	877,846	

5.3.2 Held by Money Market Sub-Fund

United Bank Limited	AAA	July 05, 2021	7.00%	450,000	-	450,000	-	-
United Bank Limited	AAA	August 09, 2021	6.80%	-	450,000	450,000	-	-
United Bank Limited	AAA	September 09, 2021	6.80%	-	450,000	450,000	-	-
United Bank Limited	AAA	October 08, 2021	7.00%	-	450,000	450,000	-	-
United Bank Limited	AAA	November 08, 2021	7.00%	-	450,000	450,000	-	-
United Bank Limited	AAA	December 02, 2021	8.35%	-	300,000	300,000	-	-
Askari Bank Limited	AA+	September 01, 2021	7.15%	460,000	-	460,000	-	-
Askari Bank Limited	AA+	December 01, 2021	7.15%	-	460,000	460,000	-	-
The Bank of Punjab	AA+	March 15, 2022	11.25%	-	500,000	-	500,000	13.92
				910,000	3,060,000	3,470,000	500,000	

5.4 Commercial Paper- at amortised Cost

5.4.1 Held by Money Market Sub-Fund

Name of Company		Maturity Date	As at July 01, 2021	Placements made during the period	Income Accrued	Matured during the period	As at December 31, 2021	Market Value as a percentage of Net Assets
----- (Rupees in '000) -----								%
K-electric Limited	5.4.1.1	January 27, 2022	-	216,225	7,535	-	223,760	6.23
K-electric Limited	5.4.1.2	May 04, 2022	-	238,854	3,571	-	242,425	6.75
			-	455,079	11,106	-	466,185	

5.4.1.1 This commercial paper was placed at discount at a rate of 8.05% (6 months kibar plus 0.45%) and is being amortised over a period of 184 days.

5.4.1.2 This commercial paper was placed at discount at a rate of 9.41% (6 months kibar plus 0.60%) and is being amortised over a period of 181 days.

5.5 Investment in gold

	As at July 01, 2021	Purchases during the period	Sales during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised gain as at December 31, 2021	Market Value as a Percentage of Net Assets
	----- (Quantity in Tola) -----			----- (Rupees'000) -----			----- % -----	
Tola Gold	926	-	-	926	99,444	114,642	15,198	85.14
Total	926	-	-	926	99,444	114,642	15,198	

5.5.1 The Pakistan Mercantile Exchange (PMEX) delivers refined Gold in 10 TOLA Bars. These are physically held by PMEX.

5.5.2 The investment in gold of Rs. 114.642 million has been measured at fair value based on the quoted market price in active markets.

6. DEPOSITS AND OTHER RECEIVABLES

	December 31, 2021 (Un-Audited)					June 30, 2021 (Audited)
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund	Total	Total
	----- (Rupees in '000) -----					
Advance against IPO subscription	-	-	-	-	-	72,765
Security deposits	2,600	100	100	-	2,800	2,800
Profit receivable on saving accounts with banks and Term Deposits / COMs	655	17,446	19,839	151	38,091	26,215
Profit receivable on sukuks certificates	-	35,999	5,814	-	41,813	35,240
Advance tax	4,747	-	-	-	4,747	4,747
	8,002	53,545	25,753	151	87,451	141,767

**7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED
(Al Meezan) - PENSION FUND MANAGER**

Note	December 31, 2021 (Un-Audited)					June 30, 2021 (Audited)	
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund	Total	Total	
	----- (Rupees in '000) -----						
Management remuneration	7.1	1,077	961	751	27	2,816	1,303
Sindh Sales Tax on management fee	7.2	140	125	98	4	367	169
Allocated Expense	7.3	476	583	451	12	1,522	-
		1,693	1,669	1,300	43	4,705	1,472

- 7.1** As per regulation 67F of NBFC Regulation, 2008, Al Meezan Investment Management Limited, the Pension Fund Manager of the Fund is allowed to charge an annual management fee of 1.5% (June 30, 2021: 1.5%) of the average of the values of the net assets of each of the Sub-Fund calculated for determining the prices of the units of the Sub-Funds. Accordingly, the management fee has been accrued at 1.5% per annum of the average daily net assets of the Sub-Funds.
- 7.2** The Sindh Provincial Government has levied Sindh Sales Tax (SST) at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Management Company through Sindh Sales Tax Act, 2011 effective from July 01, 2011.
- 7.3** As per S.R.O.1068(I)/2021 dated August 23, 2021 the SECP made an amendment in Non-Banking Finance Companies and Notified Entities Regulations, 2008, adjoined "Voluntary Pension System" as Part V of NBFC Regulations, 2008. In accordance with Regulation 67G(3), Pension Fund Manager may charge the eligible expense as given in sub-regulation (2) and (3) of the regulation 60 to pension fund.

In accordance with Regulation 60 of the NBFC Regulations, the Pension Fund Manager is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to its Voluntary Pension Scheme.

Effective from October 01, 2021 the Pension Fund Manager based on its own discretion has charged Equity Sub Fund (0.11%), Debt Sub Fund (0.15%), Money Market Sub Fund (0.15%) and Gold Sub Fund (0.11%) respectively on average annual net assets of the sub-funds for allocation of such expenses.

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

Note	December 31, 2021 (Un-Audited)					June 30, 2021 (Audited)	
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund	Total	Total	
	----- (Rupees in '000) -----						
Trustee fee	8.1	337	303	234	8	882	843
Sindh Sales Tax on Remuneration of the Trustee	8.2	44	39	30	1	114	110
		381	342	264	9	996	953

- 8.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed in accordance with the tariff specified therein, based on the daily net assets of the sub-funds.

Based on the Trust Deed, the tariff structure applicable to the Fund as at December 31, 2021 is as follows:

Average net asset value	Tariff per annum
Amount up to Rs. 1 billion	Rs. 0.3 million or 0.15% p.a of net asset value, whichever is higher
Amount exceeding Rs. 1 billion up to Rs. 3 billion	Rs. 1.5 million plus 0.10% p.a of net asset value exceeding Rs. 1 billion
Amount exceeding Rs. 3 billion up to Rs. 6 billion	Rs. 3.5 million plus 0.08% p.a of net asset value exceeding Rs. 3 billion
Amount exceeding Rs. 6 billion	Rs. 5.9 million plus 0.06% p.a of net asset value exceeding Rs. 6 billion

- 8.2** The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through Sindh Sales Tax Act, 2011 effective from July 01, 2011.

9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

This represents annual fee payable to SECP in accordance with the rule 36 of the VPS Rules whereby the Fund is required to pay SECP an amount equal to one twenty-fifth of 1% (June 30, 2021 : one thirtieth of 1%) of average annual net asset value of the Fund.

10. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	December 31, 2021 (Un-Audited)				June 30, 2021 (Audited)
		Equity-Sub Fund	Debt-Sub Fund	Money Market Sub- Fund	Gold Sub- Fund	Total
(Rupees in '000)						
Provision for Sindh Workers' Welfare Fund	10.1	-	-	-	-	108,566
Federal Excise Duty on remuneration of the Pension Fund Manager	10.2	15,436	8,816	2,449	-	26,701
Sindh Sales Tax on Federal Excise Duty on remuneration of the Pension Fund Manager	10.3	1,800	962	242	-	3,004
Charity payable		9,400	-	-	-	8,722
Brokerage payable		3,704	73	23	-	3,661
Custodian Charges Payable		-	-	-	339	374
Amount received against units to be issued		3,613	1,137	477	235	6,674
		33,953	10,988	3,191	574	157,702

- 10.1** SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also been taken up with the SECP. All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF vide its circular dated August 30, 2021.

Provisioning against SWWF amounting to Rs.72.67 million , Rs. 22.88 million, Rs. 13.98 million and Rs. 0.93 million has been reversed and it has contributed towards an increase in NAV of the fund by Rs. 7.21 (1.33%) per unit , Rs. 1.47 (0.52%) per unit, Rs.1.14 (0.42%) per unit and Rs.1.25 (0.80%) per unit of Equity Sub Fund , Debt Sub Fund, Money Market Sub Fund and Gold Sub Fund respectively.. This was one-off event and is not likely to be repeated in the future.

- 10.2** The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2021. Had the provision not been made, the Net Asset Value per unit as at December 31, 2021 would have been higher by Rs. 1.75 (June 30, 2021: Rs. 1.51) per unit, Re. 0.62 (June 30, 2021: Re. 0.57) per unit and Re. 0.21 (June 30, 2021: Re. 0.20) per unit for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively.

- 10.3** It represents amount payable in respect of Sindh Sales Tax at the rate of 13 percent (June 30, 2021: 13 percent) on remuneration of the Pension Fund Manager through the Sindh Sales Tax on Services Act, 2011, being Sindh Sales Tax accrued on Federal Excise Duty (FED) on remuneration of the Pension Fund Manager as fully explained in note 8.2 above.

11 CONTINGENCIES AND COMMITMENTS

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

12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended December 31, 2021 are;

	December 31, 2021 (Unaudited)			
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund
Total Expense ratio (including government levies)	2.21%	1.91%	1.91%	2.93%
Government levies	0.26%	0.24%	0.24%	0.24%

The total expense ratio of pension fund prescribed in NBFC Regulations Part V Regulation 67G of Voluntary Pension System is capped as follows: (a) Equity Sub Fund upto 4.5% (b) Money Market upto 2% (c) Income, commodity fund upto 2.5%

13. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

13.1 Connected persons and related parties include Al Meezan Investment Management Limited being the Pension Fund Manager, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Pension Fund Manager, Directors and executives of the Pension Fund Manager, other collective investment schemes managed by Pension Fund Manager, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Pension Fund Manager due to common directorship, post employment benefit funds of the Pension Fund Manager and unit holders holding ten percent or more of the Sub-Fund's net assets.

13.2 The transactions with connected persons are carried out in the normal course of business, at contracted rates and terms determined in accordance with the market norms.

13.3 Remuneration of the Pension Fund Manager is determined in accordance with the provisions of the provisions of VPS Rules, 2005 and the Trust Deed.

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

13.5 Amount outstanding as at period end are as follows:

	31 December 2021 (Un-Audited)					30 June 2021 (Audited)
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund	Total	Total
	----- (Rupees in '000) -----					
Al Meezan Investment Management Limited						
(Al Meezan) - Pension Fund Manager						
Remuneration payable	1,077	961	751	27	2,816	1,303
Sindh Sales Tax on management fee	140	125	98	4	367	169
Allocated expense payable	476	583	451	12	1,522	-
Investments as at December 31, 2021: (Equity sub fund: 260,077 units; Gold Sub Fund: 174,735) as at June 30, 2021 (Equity sub fund: 260,077 units; Gold Sub Fund: 300,000 units)	136,556	-	-	31,226	167,782	187,894

31 December 2021 (Un-Audited)
**30 June 2021
(Audited)**

	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund	Total	Total
----- (Rupees in '000) -----						
Meezan Bank Limited (MBL)						
Bank balance	83,707	10,621	14,538	3,023	111,889	106,734
Profit receivable on saving account	108	17	18	5	148	190
Investment in shares 2,374,743 (June 30, 2021:1,481,659 shares)	318,477	-	-	-	318,477	170,998
Central Depository Company of Pakistan Limited (CDC) - Trustee						
Trustee fee payable	337	303	234	8	882	843
Sindh Sales Tax on trustee fee payable	44	39	30	1	114	110
Deposits	100	100	100	-	300	300
Directors and Executives of the Pension Fund Manager						
Investments as at December 31, 2021: (Equity sub fund: 1,216,404 units; Debt Sub Fund: 690,113 units; Money Market Sub Fund: 231,747 units; Gold Sub Fund: 247,904 Units)						
as at June 30, 2021: (Equity sub fund: 1,139,985 units; Debt sub fund: 674,405 units; Money Market sub fund: 217,280 units; Gold Sub Fund : 226,232 units)						
	638,684	200,989	64,797	44,302	948,772	899,002

13.6 Transactions during the period (Unaudited)

	31 December 2021					Total
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund	Total	Total
----- (Rupees in '000) -----						
AI Meezan Investment Management Limited (AI Meezan) - Pension Fund Manager						
Remuneration for the period	40,753	33,795	25,991	952	101,491	86,806
Sindh Sales Tax on management fee	5,298	4,393	3,379	124	13,194	11,285
Allocated expense for the period	1,462	1,714	1,316	36	4,528	-
Units redeemed / reallocated (Equity Sub Fund nil units; Gold Sub Fund: 125,265 units)	-	-	-	20,000	20,000	-

	31 December 2021					
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Gold Sub Fund	Total	Total
	----- (Rupees in '000) -----					
Meezan Bank Limited (MBL)						
Profit on savings account	918	39	97	171	1,225	1,262
Purchase of 607,248 shares	78,249	-	-	-	78,249	-
Sale of 20,000 shares	2,955	-	-	-	2,955	-
Bonus 305,836 shares	-	-	-	-	-	-
Dividend income	6,620	-	-	-	6,620	-
Central Depository Company of Pakistan Limited (CDC) - Trustee						
Remuneration for the period	2,096	1,738	1,337	49	5,220	4,630
Sindh Sales Tax on trustee fee	272	226	174	6	678	601
CDS Charges for the period	125	8	3	-	136	90
Directors and Executives of the Pension Fund Manager						
Units issued (Equity Sub Fund: 101,235 units; Debt Sub Fund: 37,006 units; Money Market Sub Fund: 48,050 units; Gold sub fund: 21,672 units)	54,783	10,650	13,141	3,483	82,057	46,547
Units redeemed / reallocated (Equity Sub Fund 24,816 units; Debt Sub Fund: 21,298 units; Money Market Sub Fund: 33,583 units; Gold sub fund: nil units)	13,337	5,842	8,633	-	27,812	32,270

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Fund has access at that 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 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.

Investments on the Statement of Assets and Liabilities are carried at fair value. The Management is of the view that the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are essentially short term in nature.

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: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
 Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
 Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The fair value of traded investments is based on quoted market prices, and have been disclosed in note 5.

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

	Carrying Amounts				Fair Values			
	Amortised cost	At fair value through profit or loss	Financial liabilities measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
December 31, 2021	Note ----- (Rupees in'000) -----							
Financial assets - measured at fair value								
- Listed equity securities	-	5,094,592	-	5,094,592	5,030,666	-	-	5,030,666
- Sukuk certificates	-	2,915,076	-	2,915,076	-	2,915,076	-	2,915,076
	-	8,009,668	-	8,009,668	5,030,666	2,915,076	-	7,945,742
Financial assets - not measured at fair value	14.1							
Bank balances	3,524,200	-	-	3,524,200	-	-	-	-
Investments								
- Commercial papers	466,185	-	-	466,185	-	-	-	-
- Term deposit	1,377,846	-	-	1,377,846	-	-	-	-
Dividend receivable	909	-	-	909	-	-	-	-
Deposits and other receivables	87,451	-	-	87,451	-	-	-	-
Receivable against sale of investments	16,313	-	-	16,313	-	-	-	-
Receivable against change of plan / change of fund manager / issuance of units	337	-	-	337	-	-	-	-
	5,473,241	-	-	5,473,241	-	-	-	-
	5,473,241	8,009,668	-	13,482,909	5,030,666	2,915,076	-	7,945,742
Financial liabilities not measured at fair value	14.1							
Payable to Al Meezan Investment Management Limited - Pension Fund Manager	-	-	4,338	4,338	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	882	882	-	-	-	-
Payable to auditors	-	-	380	380	-	-	-	-
Payable against purchase of investments	-	-	40,276	40,276	-	-	-	-
Payable against withdrawal / change of plan/ change of fund manager	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	-	13,539	13,539	-	-	-	-
	-	-	59,415	59,415	-	-	-	-

Carrying Amounts				Fair Values			
Amortised cost	At fair value through profit or loss	Financial liabilities measured at amortised cost	Total	Level 1	Level 2	Level 3	Total

June 30, 2021

Financial assets - measured at fair value

- Listed equity securities	-	5,164,056	-	5,164,056	5,164,056	-	-	5,164,056
- Sukuk certificates	-	2,805,921	-	2,805,921	-	2,805,921	-	2,805,921
	-	7,969,977	-	7,969,977	5,164,056	2,805,921	-	7,969,977

Financial assets - not measured at fair value

Bank balances	3,771,829	-	-	3,771,829	-	-	-	-
Investments								
- Term deposit receipt / COMs	1,530,000	-	-	1,530,000	-	-	-	-
Dividend receivable	21,739	-	-	21,739	-	-	-	-
Deposits and other receivables	137,020	-	-	137,020	-	-	-	-
Receivable against sale of investments	7,696	-	-	7,696	-	-	-	-
Receivable against change of plan / change of fund manager / issuance of units	21,422	-	-	21,422	-	-	-	-
	5,489,706	-	-	5,489,706	-	-	-	-
	5,489,706	7,969,977	-	13,459,683	5,164,056	2,805,921	-	7,969,977

Financial liabilities not measured at fair value

Payable to Al Meezan Investment Management Limited - Pension Fund Manager	-	-	1,303	1,303	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	843	843	-	-	-	-
Payable to auditors	-	-	292	292	-	-	-	-
Payable against purchase of investments	-	-	4,600	4,600	-	-	-	-
Payable against withdrawal / change of plan/ change of fund manager	-	-	35,084	35,084	-	-	-	-
Accrued expenses and other liabilities	-	-	12,757	12,757	-	-	-	-
	-	-	54,879	54,879	-	-	-	-

14.1 The Fund has not disclosed fair values for these financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.



15. TAXATION

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

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

16. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on February 14, 2022 by the Board of Directors of the Pension Fund Manager.

17. GENERAL

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

**For AI Meezan Investment Management Limited
(Pension Fund Manager)**

Chief Executive

Chief Financial Officer

Director



For investment services and advice, visit any Al Meezan or any Meezan Bank Branch across Pakistan.
Note: Meezan Bank's role is limited to Distributor only.

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