



**Meezan**  
Financial Planning  
Fund of Funds

## **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.



# REDEFINING INVESTMENT IN THE CITY OF LIGHTS

● EMPRESS MARKET  
| (KARACHI)



## 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](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

### RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	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:

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.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) 34326021 - 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, 2019 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 25, 2020



**AUDITOR'S 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 Fund** (the Fund) as at December 31, 2019 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in 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, 2019. 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, 2019 and December 31, 2018 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2019.

**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.

  
Chartered Accountants  
Engagement Partner: Salman Hussain  
Dated: February 26, 2020  
Karachi

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT DECEMBER 31, 2019**



		(Unaudited)					
		As at December 31, 2019					
		Aggressive	Moderate	Conservative	MAAP-I	Total	
Note		(Rupees in '000)					
<b>Assets</b>							
	Balances with banks	5	6,632	7,379	3,594	22,506	40,111
	Investments	6	325,766	151,479	169,290	314,878	961,413
	Receivable against conversion of units		70	6	83	-	159
	Receivable against sale of investments		13,463	8,631	8,069	-	30,163
	Profit receivable on saving accounts with banks		58	69	32	221	380
	<b>Total assets</b>		<b>345,989</b>	<b>167,564</b>	<b>181,068</b>	<b>337,605</b>	<b>1,032,226</b>
<b>Liabilities</b>							
	Payable to AI Meezan Investment Management Limited - Management Company		35	24	34	48	141
	Payable to Central Depository Company of Pakistan Limited - Trustee	8	26	10	20	10	66
	Payable to Meezan Bank Limited		5	4	2	-	11
	Payable to Securities and Exchange Commission of Pakistan	9	32	15	18	43	108
	Payable on redemption and conversion of units		546	10,421	1,720	-	12,687
	Payable against purchase of investments		13,463	8,631	8,069	-	30,163
	Accrued expenses and other liabilities	10	5,223	3,479	2,332	11,243	22,277
	<b>Total liabilities</b>		<b>19,330</b>	<b>22,584</b>	<b>12,195</b>	<b>11,344</b>	<b>65,453</b>
	<b>Net assets</b>		<b>326,659</b>	<b>144,980</b>	<b>168,873</b>	<b>326,261</b>	<b>966,773</b>
	<b>Contingencies and commitments</b>	7					
	<b>Unit holders' fund (as per statement attached)</b>		<b>326,659</b>	<b>144,980</b>	<b>168,873</b>	<b>326,261</b>	<b>966,773</b>
		(Number of units)					
	<b>Number of units in issue</b>		<b>4,810,086</b>	<b>2,370,070</b>	<b>2,818,804</b>	<b>6,494,004</b>	
		(Rupees)					
	<b>Net asset value per unit</b>		<b>67.9113</b>	<b>61.1710</b>	<b>59.9095</b>	<b>50.2403</b>	

The annexed notes 1 to 17 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, 2019**

(Audited)							
As at June 30, 2019						As at July 24, 2018	
Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV		
Note ----- (Rupees in '000) -----							
<b>Assets</b>							
Balances with banks	5	5,765	4,366	4,861	725	15,717	4,045
Investments	6	364,165	202,298	219,360	603,752	1,389,575	-
Receivable against conversion of units		6	-	56	-	62	-
Receivable against sale of investments		-	-	-	-	-	473,018
Profit receivable on saving accounts with banks		29	34	17	4	84	196
<b>Total assets</b>		<u>369,965</u>	<u>206,698</u>	<u>224,294</u>	<u>604,481</u>	<u>1,405,438</u>	<u>477,259</u>
<b>Liabilities</b>							
Payable to AI Meezan Investment Management Limited - Management Company		60	26	21	52	159	111
Payable to Central Depository Company of Pakistan Limited - Trustee	8	38	18	27	44	127	33
Payable to Meezan Bank Limited		1	-	-	-	1	-
Payable to Securities and Exchange Commission of Pakistan	9	440	232	237	701	1,610	630
Payable on redemption and conversion of units		192	338	314	-	844	-
Payable against purchase of investments		-	-	-	-	-	-
Accrued expenses and other liabilities	10	4,162	3,045	1,917	10,974	20,098	5,438
<b>Total liabilities</b>		<u>4,893</u>	<u>3,659</u>	<u>2,516</u>	<u>11,771</u>	<u>22,839</u>	<u>6,212</u>
<b>Net assets</b>		<u>365,072</u>	<u>203,039</u>	<u>221,778</u>	<u>592,710</u>	<u>1,382,599</u>	<u>471,047</u>
<b>Contingencies and commitments</b>	7						
<b>Unit holders' fund (as per statement attached)</b>		<u>365,072</u>	<u>203,039</u>	<u>221,778</u>	<u>592,710</u>	<u>1,382,599</u>	<u>471,047</u>
----- (Number of units) -----							
<b>Number of units in issue</b>		<u>6,273,536</u>	<u>3,762,017</u>	<u>4,061,839</u>	<u>12,414,152</u>		<u>10,199,830</u>
----- (Rupees) -----							
<b>Net asset value per unit</b>		<u>58.1924</u>	<u>53.9707</u>	<u>54.6004</u>	<u>47.7447</u>		<u>46.1818</u>

The annexed notes 1 to 17 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, 2019**



Six months period ended December 31, 2019					
	Aggressive	Moderate	Conservative	MAAP-I	Total
Note	(Rupees in '000)				
<b>Income</b>					
Net realised gain / (loss) on sale of investments	3,331	1,715	2,904	(12,559)	(4,609)
Dividend income	-	-	-	-	-
Back end load income	-	-	-	-	-
Profit on saving accounts with banks	286	219	185	946	1,636
	<u>3,617</u>	<u>1,934</u>	<u>3,089</u>	<u>(11,613)</u>	<u>(2,973)</u>
Unrealised appreciation on re-measurement of investments at 'fair value through profit or loss'	6.1	44,270	16,466	13,527	19,605
<b>Total income</b>	<u>47,887</u>	<u>18,400</u>	<u>16,616</u>	<u>7,992</u>	<u>90,895</u>
<b>Expenses</b>					
Remuneration to Al Meezan Investment Management Limited - Management Company	28	23	19	71	141
Sindh Sales Tax on management fee	4	3	2	9	18
Allocated expenses	12	166	75	93	214
Remuneration to Central Depository Company of Pakistan Limited - Trustee	8	116	53	65	150
Sindh Sales Tax on trustee fee	15	7	8	19	49
Annual fee to Securities and Exchange Commission of Pakistan	9	33	15	19	43
Auditors' remuneration	98	44	55	124	321
Fees and subscription	48	23	27	64	162
Bank and settlement charges	4	3	2	1	10
Provision for Sindh Workers' Welfare Fund	948	363	327	146	1,784
Printing charges	-	-	-	-	-
<b>Total expenses</b>	<u>1,460</u>	<u>609</u>	<u>617</u>	<u>841</u>	<u>3,527</u>
<b>Net income for the period before taxation</b>	<u>46,427</u>	<u>17,791</u>	<u>15,999</u>	<u>7,151</u>	<u>87,368</u>
Taxation	14	-	-	-	-
<b>Net income for the period after taxation</b>	<u>46,427</u>	<u>17,791</u>	<u>15,999</u>	<u>7,151</u>	<u>87,368</u>
<b>Allocation of net income for the period</b>					
Net income for the period after taxation	46,427	17,791	15,999	7,151	87,368
Income already paid on units redeemed	(881)	(1,152)	(1,095)	-	(3,128)
	<u>45,546</u>	<u>16,639</u>	<u>14,904</u>	<u>7,151</u>	<u>84,240</u>
<b>Accounting income available for distribution</b>					
- Relating to capital gains	47,601	18,181	16,431	7,046	89,259
- Excluding capital gains	(2,055)	(1,542)	(1,527)	105	(5,019)
	<u>45,546</u>	<u>16,639</u>	<u>14,904</u>	<u>7,151</u>	<u>84,240</u>

The annexed notes 1 to 17 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, 2019**

Six months period ended December 31, 2018						For the period from July 01, 2018 to July 24, 2018
Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV	
Note ----- (Rupees in '000) -----						
<b>Income</b>						
Net realised loss on sale of investments	(1,617)	(2,505)	(1,924)	(1,849)	(7,895)	(11,515)
Dividend income	4,629	5,576	7,946	5,465	23,616	3,569
Back end load income	-	-	-	128	128	167
Profit on saving accounts with banks	97	63	87	48	295	152
	3,109	3,134	6,109	3,792	16,144	(7,627)
Unrealised diminution on re-measurement of investments at 'fair value through profit or loss'	6.1 (45,941)	(15,999)	(7,877)	(75,162)	(144,979)	-
<b>Total loss</b>	(42,832)	(12,865)	(1,768)	(71,370)	(128,835)	(7,627)
<b>Expenses</b>						
Remuneration to AI Meezan Investment Management Limited - Management Company	40	22	36	31	129	69
Sindh Sales Tax on management fee	5	3	5	4	17	9
Allocated expenses	12 245	132	134	402	913	32
Remuneration to Central Depository Company of Pakistan Limited - Trustee	8 217	117	118	356	808	27
Sindh Sales Tax on trustee fee	28	15	15	46	104	4
Annual fee to Securities and Exchange Commission of Pakistan	9 233	125	127	382	867	30
Auditors' remuneration	96	53	53	158	360	9
Fees and subscription	42	23	23	70	158	4
Bank and settlement charges	5	3	4	2	14	-
Provision for Sindh Workers' Welfare Fund						
Printing charges	36	19	19	59	133	3
<b>Total expenses</b>	947	512	534	1,510	3,503	187
<b>Net loss for the period before taxation</b>	(43,779)	(13,377)	(2,302)	(72,880)	(132,338)	(7,814)
Taxation	14 -	-	-	-	-	-
<b>Net loss for the period after taxation</b>	(43,779)	(13,377)	(2,302)	(72,880)	(132,338)	(7,814)
<b>Allocation of net income for the period</b>						
Net income for the period after taxation	-	-	-	-	-	-
Income already paid on units redeemed	-	-	-	-	-	-
<b>Accounting income available for distribution</b>						
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	-	-	-	-	-	-

The annexed notes 1 to 17 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, 2019**



		Quarter ended December 31, 2019				
		Aggressive	Moderate	Conservative	MAAP-I	Total
Note		(Rupees in '000)				
<b>Income</b>						
		3,240	2,035	2,637	2,252	10,164
		-	-	-	-	-
		194	139	101	734	1,168
		-	-	-	-	-
		3,434	2,174	2,738	2,986	11,332
		59,414	19,394	13,226	33,717	125,751
		62,848	21,568	15,964	36,703	137,083
<b>Expenses</b>						
		16	13	10	49	88
		2	2	1	6	11
	12	81	37	44	86	248
		57	26	31	60	174
	8	7	4	4	7	22
	9	16	7	9	17	49
		52	24	29	55	160
		22	10	11	24	67
		3	3	2	1	9
		948	363	317	146	1,774
		-	-	-	-	-
		1,204	489	458	451	2,602
		61,644	21,079	15,506	36,252	134,481
		-	-	-	-	-
	14	-	-	-	-	-
		61,644	21,079	15,506	36,252	134,481

The annexed notes 1 to 17 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, 2019**

		Quarter ended December 31, 2018				
		Aggressive	Moderate	Conservative	MAAP-I	Total
Note		(Rupees in '000)				
<b>Income</b>						
		(1,240)	(798)	(1,450)	(1,018)	(4,506)
		-	-	-	65	65
		58	30	44	36	168
		-	-	14	-	14
		(1,182)	(768)	(1,392)	(917)	(4,259)
	Unrealised diminution on re-measurement of investments at 'fair value ' through profit or loss'	(32,313)	(9,343)	(1,358)	(52,693)	(95,707)
	<b>Total loss</b>	(33,495)	(10,111)	(2,750)	(53,610)	(99,966)
<b>Expenses</b>						
	Remuneration to AI Meezan Investment Management Limited - Management Company	15	11	16	19	61
	Sindh Sales Tax on management fee	2	2	2	2	8
	Allocated expenses	119	64	64	195	442
	Remuneration to Central Depository Company of Pakistan Limited - Trustee	107	57	56	175	395
	Sindh Sales Tax on trustee fee	14	7	7	22	50
	Annual fee to Securities and Exchange Commission of Paki	114	60	60	185	419
	Auditors' remuneration	51	29	28	84	192
	Fees and subscription	18	10	9	31	68
	Bank and settlement charges	1	-	2	-	3
	Provision for Sindh Workers' Welfare Fund	-	-	-	-	-
	Printing charges	19	9	10	32	70
	<b>Total expenses</b>	460	249	254	745	1,708
	<b>Net loss for the quarter before taxation</b>	(33,955)	(10,360)	(3,004)	(54,355)	(101,674)
	Taxation	-	-	-	-	-
	<b>Net loss for the quarter after taxation</b>	(33,955)	(10,360)	(3,004)	(54,355)	(101,674)

The annexed notes 1 to 17 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, 2019**



	Six months period ended December 31, 2019				Total
	Aggressive	Moderate	Conservative	MAAP-I	
	(Rupees in '000)				
Net income for the period after taxation	46,427	17,791	15,999	7,151	87,368
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>46,427</b>	<b>17,791</b>	<b>15,999</b>	<b>7,151</b>	<b>87,368</b>

	Six months period ended December 31, 2018					For the period from July 01, 2018 to July 24, 2018 MAAP-IV
	Aggressive	Moderate	Conservative	MAAP-I	Total	
	(Rupees in '000)					
Net loss for the period after taxation	(43,779)	(13,377)	(2,302)	(72,880)	(132,338)	(7,814)
Other comprehensive income for the period	-	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(43,779)</b>	<b>(13,377)</b>	<b>(2,302)</b>	<b>(72,880)</b>	<b>(132,338)</b>	<b>(7,814)</b>

The annexed notes 1 to 17 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, 2019**

	Quarter ended December 31, 2019				Total
	Aggressive	Moderate	Conservative	MAAP-I	
	(Rupees in '000)				
Net income for the period after taxation	61,644	21,079	15,506	36,252	134,481
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>61,644</b>	<b>21,079</b>	<b>15,506</b>	<b>36,252</b>	<b>134,481</b>

	Quarter ended December 31, 2018				Total
	Aggressive	Moderate	Conservative	MAAP-I	
	(Rupees in '000)				
Net loss for the period after taxation	(33,955)	(10,360)	(3,004)	(54,355)	(101,674)
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(33,955)</b>	<b>(10,360)</b>	<b>(3,004)</b>	<b>(54,355)</b>	<b>(101,674)</b>

The annexed notes 1 to 17 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, 2019**

	Six months period ended December 31, 2019			Six months period ended December 31, 2019			Six months period ended December 31, 2019			Six months period ended December 31, 2019			Six months period ended December 31, 2019		
	Aggressive (Rupees in '000)			Moderate (Rupees in '000)			Conservative (Rupees in '000)			MAAP-I (Rupees in '000)			Total (Rupees in '000)		
	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
Net assets at the beginning of the period	347,237	17,835	365,072	166,989	36,050	203,039	178,157	43,621	221,778	537,356	55,354	592,710	1,229,739	152,860	1,382,599
Issuance of units:															
Aggressive: 771,658 units / Moderate: 322,759 units /															
Conservative: 634,740 units															
- Capital value (at net asset value per unit at the beginning of the period)	44,905		44,905	17,420		17,420	34,657		34,657	-		-	96,982		96,982
- Element of (loss) / income	1,575		1,575	726		726	1,124		1,124	-		-	3,425		3,425
Total proceeds on issuance of units	46,480	-	46,480	18,146	-	18,146	35,781	-	35,781	-	-	-	100,407	-	100,407
Redemption of units:															
Aggressive: 2,235,108 units / Moderate: 1,714,706 units /															
Conservative: 1,877,775 units / MAAP I: 5,920,148 units /															
- Capital value (at net asset value per unit at the beginning of the period)	130,066		130,066	92,544		92,544	102,527		102,527	282,656		282,656	607,793		607,793
- Element of (income) / loss	373	881	1,254	300	1,152	1,452	1,063	1,095	2,158	(9,056)		(9,056)	(7,320)	3,128	(4,192)
Total payments on redemption of units	130,439	881	131,320	92,844	1,152	93,996	103,590	1,095	104,685	273,600	-	273,600	600,473	3,128	603,601
Total comprehensive income for the period		46,427	46,427		17,791	17,791		15,999	15,999		7,151	7,151		87,368	87,368
Distribution during the period		-	-		-	-		-	-		-	-		-	-
Net income for the period less distribution		46,427	46,427		17,791	17,791		15,999	15,999		7,151	7,151		87,368	87,368
<b>Net assets at the end of the period</b>	<b>263,278</b>	<b>63,381</b>	<b>326,659</b>	<b>92,291</b>	<b>52,689</b>	<b>144,980</b>	<b>110,348</b>	<b>58,525</b>	<b>168,873</b>	<b>263,756</b>	<b>62,505</b>	<b>326,261</b>	<b>729,673</b>	<b>237,100</b>	<b>966,773</b>
<b>Undistributed income brought forward</b>															
- Realised income		101,711			67,539			62,595			196,400			428,245	
- Unrealised loss		(83,876)			(31,489)			(18,974)			(141,046)			(275,385)	
		17,835			36,050			43,621			55,354			152,860	
Accounting income available for distribution															
- Relating to capital gains		47,601			18,181			16,431			7,046			89,259	
- Excluding capital gains		(2,055)			(1,542)			(1,527)			105			(5,019)	
		45,546			16,639			14,904			7,151			84,240	
Net loss for the period after taxation		-			-			-			-			-	
Distribution during the period		-			-			-			-			-	
Undistributed income carried forward		63,381			52,689			58,525			62,505			237,100	
Undistributed income carried forward															
- Realised income		19,111			36,223			44,998			42,900			143,232	
- Unrealised gain		44,270			16,466			13,527			19,605			93,868	
		63,381			52,689			58,525			62,505			237,100	
		<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>	
Net asset value per unit as at the beginning of the period		58.1924			53.9707			54.6004			47.7447			47.7447	
Net asset value per unit as at the end of the period		67.9113			61.1710			59.9095			50.2403			50.2403	

The annexed notes 1 to 17 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, 2019**

	Six months period ended December 31, 2018			Six months period ended December 31, 2018			Six months period ended December 31, 2018			Six months period ended December 31, 2018			Six months period ended December 31, 2018			For the period from July 01, 2018 to July 24, 2018		
	Aggressive (Rupees in '000)			Moderate (Rupees in '000)			Conservative (Rupees in '000)			MAAP-I (Rupees in '000)			Total (Rupees in '000)			MAAP-IV (Rupees in '000)		
	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total	Capital Value	Undistribut ed income	Total
Net assets at the beginning of the period	394,890	101,897	496,787	226,557	82,538	309,095	209,956	80,512	290,468	630,891	198,023	828,914	1,462,294	462,970	1,925,264	531,432	(23,695)	507,737
Issuance of units:																		
Aggressive: 1,067,535 units / Moderate: 474,284 units /																		
Conservative: 1,171,936 units / MAAP I: nil units																		
- Capital value (at net asset value per unit at the beginning of the period)	75,032	-	75,032	31,840	-	31,840	76,491	-	76,491	-	-	-	183,363	-	183,363	-	-	-
- Element of (loss) / income	(1,470)	-	(1,470)	(411)	-	(411)	268	-	268	-	-	-	(1,613)	-	(1,613)	-	-	-
Total proceeds on issuance of units	73,562	-	73,562	31,429	-	31,429	76,759	-	76,759	-	-	-	181,750	-	181,750	-	-	-
Redemption of units:																		
Aggressive: 1,096,597 units / Moderate: 1,348,501 units /																		
Conservative: 1,921,552 units / MAAP I: 736,000 units /																		
MAAP IV: 626,419 units																		
- Capital value (at net asset value per unit at the beginning of the period)	77,074	-	77,074	90,528	-	90,528	125,417	-	125,417	43,131	-	43,131	336,150	-	336,150	29,378	-	29,378
- Element of (income) / loss	(1,530)	-	(1,530)	(2,028)	-	(2,028)	23	-	23	(1,694)	-	(1,694)	(5,229)	-	(5,229)	(502)	-	(502)
Total payments on redemption of units	75,544	-	75,544	88,500	-	88,500	125,440	-	125,440	41,437	-	41,437	330,921	-	330,921	28,876	-	28,876
Total comprehensive loss for the period	-	(43,779)	(43,779)	-	(13,377)	(13,377)	-	(2,302)	(2,302)	-	(72,880)	(72,880)	-	(132,338)	(132,338)	-	(7,814)	(7,814)
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net loss for the period less distribution	-	(43,779)	(43,779)	-	(13,377)	(13,377)	-	(2,302)	(2,302)	-	(72,880)	(72,880)	-	(132,338)	(132,338)	-	(7,814)	(7,814)
<b>Net assets at the end of the period</b>	<b>392,908</b>	<b>58,118</b>	<b>451,026</b>	<b>169,486</b>	<b>69,161</b>	<b>238,647</b>	<b>161,275</b>	<b>78,210</b>	<b>239,485</b>	<b>589,454</b>	<b>125,143</b>	<b>714,597</b>	<b>1,313,123</b>	<b>330,632</b>	<b>1,643,755</b>	<b>502,556</b>	<b>(31,509)</b>	<b>471,047</b>
<b>Undistributed income / (accumulated loss) brought forward</b>																		
- Realised income	163,797			100,834			83,187			207,736			555,554			25,150		
- Unrealised loss	(61,900)			(18,296)			(2,675)			(9,713)			(92,584)			(48,845)		
	101,897			82,538			80,512			198,023			462,970			(23,695)		
Accounting income available for distribution																		
- Relating to capital gains	-			-			-			-			-			-		
- Excluding capital gains	-			-			-			-			-			-		
Net loss for the period after taxation	(43,779)			(13,377)			(2,302)			(72,880)			(132,338)			(7,814)		
Distribution during the period	-			-			-			-			-			-		
Undistributed income / (accumulated loss) carried forward	58,118			69,161			78,210			125,143			330,632			(31,509)		
Undistributed income / (accumulated loss) carried forward																		
- Realised income / (loss)	104,059			85,160			86,087			200,305			475,611			(31,509)		
- Unrealised loss	(45,941)			(15,999)			(7,877)			(75,162)			(144,979)			-		
	58,118			69,161			78,210			125,143			330,632			(31,509)		
	<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>			<b>Rupees</b>		
Net asset value per unit as at the beginning of the period	70.2849			67.1319			65.2685			58.6014			53.2925			46.8987		
Net asset value per unit as at the end of the period	64.0742			63.9793			64.7127			53.2925			46.1818			46.1818		

The annexed notes 1 to 17 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, 2019**



Six months period ended December 31, 2019					
Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)					
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Net income for the period before taxation	46,427	17,791	15,999	7,151	87,368
<b>Adjustments for</b>					
Net unrealised appreciation on re-measurement of investments 'at fair value through profit or loss'	(44,270)	(16,466)	(13,527)	(19,605)	(93,868)
	2,157	1,325	2,472	(12,454)	(6,500)
<b>Decrease in assets</b>					
Investments - net	82,669	67,285	63,597	308,479	522,030
Receivable against sale of investments	(13,463)	(8,631)	(8,069)	-	(30,163)
Profit receivable on saving accounts with banks	(29)	(35)	(15)	(217)	(296)
	69,177	58,619	55,513	308,262	491,571
<b>Increase / (decrease) in liabilities</b>					
Payable to AI Meezan Investment Management Limited - Management Company	(25)	(2)	13	(4)	(18)
Payable to Central Depository Company of Pakistan Limited - Trustee	(12)	(8)	(7)	(34)	(61)
Payable to Meezan Bank Limited	4	4	2	-	10
Payable to Securities and Exchange Commission of Pakistan	(408)	(217)	(219)	(658)	(1,502)
Payable against purchase of investments	13,463	8,631	8,069	-	30,163
Accrued expenses and other liabilities	1,061	434	415	269	2,179
	14,083	8,842	8,273	(427)	30,771
<b>Net cash generated from operating activities</b>	85,417	68,786	66,258	295,381	515,842
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Receipts against issuance and conversion of units	46,416	18,140	35,754	-	100,310
Payments against redemption and conversion of units	(130,966)	(83,913)	(103,279)	(273,600)	(591,758)
<b>Net cash used in financing activities</b>	(84,550)	(65,773)	(67,525)	(273,600)	(491,448)
Net increase / (decrease) in cash and cash equivalents during the period	867	3,013	(1,267)	21,781	24,394
Cash and cash equivalents at the beginning of the period	5,765	4,366	4,861	725	15,717
Cash and cash equivalents at the end of the period	6,632	7,379	3,594	22,506	40,111

The annexed notes 1 to 17 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, 2019**

	Six months period ended December 31, 2018					For the period from July 01, 2018 to July 24, 2018
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
(Rupees in '000)						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net loss for the period before taxation	(43,779)	(13,377)	(2,302)	(72,880)	(132,338)	(7,814)
<b>Adjustments for</b>						
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss'	45,941	15,999	7,877	75,162	144,979	-
	2,162	2,622	5,575	2,282	12,641	(7,814)
<b>Decrease in assets</b>						
Investments - net	6,988	55,930	37,678	44,234	144,830	510,146
Receivable against sale of investments	-	-	-	(560)	(560)	(468,018)
Profit receivable on saving accounts with banks	(11)	(2)	1	(16)	(28)	(147)
	6,977	55,928	37,679	43,658	144,242	41,981
<b>Increase / (decrease) in liabilities</b>						
Payable to Al Meezan Investment Management Limited - Management Company	4	(38)	(22)	(2)	(58)	66
Payable to Central Depository Company of Pakistan Limited - Trustee	-	(4)	(2)	(2)	(8)	(10)
Payable to Meezan Bank Limited	-	(15)	(1)	-	(16)	-
Payable to Securities and Exchange Commission of Pakistan	(285)	(199)	(189)	(500)	(1,173)	30
Payable against purchase of investments	-	-	-	-	-	-
Accrued expenses and other liabilities	55	30	56	201	342	(32)
	(226)	(226)	(158)	(303)	(913)	54
<b>Net cash generated from operating activities</b>	8,913	58,324	43,096	45,637	155,970	34,221
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Receipts against issuance and conversion of units	73,394	30,942	76,259	-	180,595	-
Payments against redemption and conversion of units	(75,423)	(88,331)	(123,412)	(41,437)	(328,603)	(33,108)
<b>Net cash used in financing activities</b>	(2,029)	(57,389)	(47,153)	(41,437)	(148,008)	(33,108)
Net increase / (decrease) in cash and cash equivalents during the period	6,884	935	(4,057)	4,200	7,962	1,113
Cash and cash equivalents at the beginning of the period	3,899	2,965	9,841	5,204	21,909	2,932
Cash and cash equivalents at the end of the period	10,783	3,900	5,784	9,404	29,871	4,045

The annexed notes 1 to 17 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, 2019**

**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) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund is registered as a Notified entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (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.
- 1.2** The Fund has been formed to enable the unitholders 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.
- 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 the Commission 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** Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund. The Fund's property of different types of allocation plans is 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 Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and
- 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 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 at least 25 percent 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 at least 45 percent 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 at least 70 percent 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. An early exit fee 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). During the current period, the SECP approved the extension of the plan by one year vide its letter No. SCD / AMCW / MFPPeF / 137 / 2019 dated November 13, 2019.

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. The accounting and reporting standards applicable in Pakistan for 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 have, however, been 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, 2019.

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, 2019.

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

**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, 2019.

**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, 2019. 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, 2019.

### **4.3 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, 2019. 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

The following amendments would be effective from the dates mentioned below against the respective amendment:

Amendments	Effective date (accounting periods beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2020
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2020

These amendments may impact the financial statements of the Fund on adoption. The Management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

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, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

#### 5 BALANCES WITH BANKS

----- (Unaudited) -----						
As at December 31, 2019						
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----						
Saving accounts	5.1	6,205	7,369	3,584	22,496	39,654
Current accounts		427	10	10	10	457
		<u>6,632</u>	<u>7,379</u>	<u>3,594</u>	<u>22,506</u>	<u>40,111</u>

----- (Audited) -----							
As at June 30, 2019						As at July 24, 2018	
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV	
----- (Rupees in '000) -----							
Saving accounts	5.1	5,338	4,356	4,851	715	15,260	3,964
Current accounts		427	10	10	10	457	81
		<u>5,765</u>	<u>4,366</u>	<u>4,861</u>	<u>725</u>	<u>15,717</u>	<u>4,045</u>

- 5.1 The balance in savings accounts have an expected profit ranging from 2.50% to 12.75% (June 30, 2019: 3.32% to 12.30%) per annum.

#### 6 INVESTMENTS

----- (Unaudited) -----						
As at December 31, 2019						
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----						
Investments - 'at fair value through profit or loss'	6.1	<u>325,766</u>	<u>151,479</u>	<u>169,290</u>	<u>314,878</u>	<u>961,413</u>

----- (Audited) -----							
As at June 30, 2019						As at July 24, 2018	
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV	
----- (Rupees in '000) -----							
Investments - 'at fair value through profit or loss'	6.1	<u>364,165</u>	<u>202,298</u>	<u>219,360</u>	<u>603,752</u>	<u>1,389,575</u>	-

## 6.1 At fair value through profit or loss - Units of mutual funds

Name of investee funds	As at July 1, 2019	Purchases during the period	Sales during the period	As at December 31, 2019	Carrying value as at December 31, 2019	Market value as at December 31, 2019	Unrealised (diminution)/ appreciation as at December 31, 2019	Percentage in relation to	
								Market value on the basis of Net Assets of the Fund	Total market value of investments
				(Number of units)	(Rupees in '000)		(Percentage)		
<b>Aggressive Allocation Plan</b>									
Meezan Islamic Fund	5,706,434	214,233	1,680,778	4,239,889	203,546	244,324	40,778	74.79	75.00
Meezan Islamic Income Fund	882,014	1,148,732	537,885	1,492,861	77,950	81,442	3,492	24.93	25.00
Meezan Cash Fund	898,802	-	898,802	-	-	-	-	-	-
					<b>281,496</b>	<b>325,766</b>	<b>44,270</b>	<b>99.72</b>	<b>100.00</b>
<b>Moderate Allocation Plan</b>									
Meezan Islamic Fund	2,116,314	81,501	883,468	1,314,347	62,788	75,740	12,952	52.24	50.00
Meezan Islamic Income Fund	981,320	896,893	489,880	1,388,333	72,225	75,739	3,514	52.24	50.00
Meezan Cash Fund	999,999	-	999,999	-	-	-	-	-	-
					<b>135,013</b>	<b>151,479</b>	<b>16,466</b>	<b>104.48</b>	<b>100.00</b>
<b>Conservative Allocation Plan</b>									
Meezan Islamic Fund	1,149,027	81,177	495,756	734,448	35,023	42,322	7,299	25.06	25.00
Meezan Islamic Income Fund	1,598,388	1,535,519	806,534	2,327,373	120,740	126,968	6,228	75.19	75.00
Meezan Cash Fund	1,628,812	-	1,628,812	-	-	-	-	-	-
					<b>155,763</b>	<b>169,290</b>	<b>13,527</b>	<b>100.25</b>	<b>100.00</b>
<b>Meezan Asset Allocation Plan I</b>									
Al Meezan Mutual Fund	39,791	2,473,754	1,088,228	1,425,317	20,715	22,971	2,256	7.04	7.30
Meezan Islamic Fund	171,373	710,176	477,102	404,447	22,400	23,306	906	7.14	7.40
Meezan Islamic Income Fund	-	3,782,009	3,782,009	-	-	-	-	-	-
Meezan Cash Fund	8,448	3,820,833	3,829,281	-	-	-	-	-	-
Meezan Sovereign Fund	3,775,282	5,108,777	5,315,716	3,568,343	190,174	194,814	4,640	59.71	61.87
Meezan Dedicated Equity Fund	11,269,149	426,698	9,950,478	1,745,369	61,984	73,787	11,803	22.62	23.43
					<b>295,273</b>	<b>314,878</b>	<b>19,605</b>	<b>96.51</b>	<b>100.00</b>
<b>Total investments in units of mutual funds</b>									
Al Meezan Mutual Fund	39,791	2,473,754	1,088,228	1,425,317	20,715	22,971	2,256	2.38	2.39
Meezan Islamic Fund	9,143,148	1,087,087	3,537,104	6,693,131	323,757	385,692	61,935	39.89	40.12
Meezan Islamic Income Fund	3,461,722	7,363,153	5,616,308	5,208,567	270,915	284,149	13,234	29.39	29.56
Meezan Cash Fund	3,536,061	3,820,833	7,356,894	-	-	-	-	0	-
Meezan Sovereign Fund	3,775,282	5,108,777	5,315,716	3,568,343	190,174	194,814	4,640	20.15	20.26
Meezan Dedicated Equity Fund	11,269,149	426,698	9,950,478	1,745,369	61,984	73,787	11,803	7.63	7.67
					<b>867,545</b>	<b>961,413</b>	<b>93,868</b>	<b>99.44</b>	<b>100.00</b>

## 7 CONTINGENCIES AND COMMITMENTS

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

## 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, the Trustee has revised its tariff as follows:

Previous Tariff		Revised Tariff
Net Assets (Rs.)	Fee	0.070% per annum of Net Assets
Upto 1 Billion	0.10% of Net Assets	
Above 1 Billion	Rs. 1 Million plus 0.075% per annum of Net Assets exceeding Rs. 1 Billion	

Accordingly, the Fund has charged Trustee fee at the rate of 0.070% per annum, effective from July 1st, 2019.

**9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN - SECP**

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to fund of funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

**10 ACCRUED EXPENSES AND OTHER LIABILITIES**

----- (Unaudited) -----					
As at December 31, 2019					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
----- (Rupees in '000) -----					
Withholding tax payable	123	478	49	409	1,059
Provision for Sindh Workers' Welfare Fund	4,328	2,279	1,541	7,032	15,180
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	368	497	528	3,295	4,688
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	72	40	36	16	164
Shariah advisor fee payable	46	20	23	58	147
Auditors' remuneration payable	195	94	106	275	670
Printing charges payable	91	71	49	158	369
	<u>5,223</u>	<u>3,479</u>	<u>2,332</u>	<u>11,243</u>	<u>22,277</u>

----- (Audited) -----						
As at June 30, 2019						As at July 24, 2018
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
----- (Rupees in '000) -----						
Withholding tax payable	115	458	14	409	996	8
Provision for Sindh Workers' Welfare Fund	###	3,380	1,916	1,214	6,886	13,396
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	###	368	497	528	16	1,409
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	###	72	40	36	3,295	3,443
Shariah advisor fee payable	41	21	22	63	147	27
Auditors' remuneration payable	96	50	51	151	348	80
Printing charges payable	90	63	52	154	359	35
	<u>4,162</u>	<u>3,045</u>	<u>1,917</u>	<u>10,974</u>	<u>20,098</u>	<u>5,438</u>

- 10.1** 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, was 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 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 the 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 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 SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in the condensed interim financial statements, the NAV per unit would have been higher by Re 0.90, 0.96, 0.55 and 1.08 for Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP-I (June 30, 2019 by 0.54, 0.51, 0.30 and 0.55 for Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP-I) respectively.

- 10.2** 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 0.44 million, Rs 0.537 million, Rs 0.564 million and Rs 3.31 million in Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP- I respectively 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 Net Asset Value of the Fund as at December 31, 2019 would have been higher by Re. 0.09, Re 0.23, Re. 0.20 and Re. 0.51 per unit in Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP- I (June 30, 2019: Re 0.07, Re 0.14, Re 0.14, Re 0.27 and Re 0.48 per unit) respectively.

## 11 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons 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, 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 / related parties are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

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

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

Balances	(Unaudited)				
	As at December 31, 2019				
	Aggressive	Moderate	Conservative	MAAP-I	Total
<b>Al Meezan Investment Management Limited - Management Company</b>					
Remuneration Payable (Rs in '000)	6	4	3	19	32
Sindh Sales Tax on management fee payable (Rs in '000)	1	1	1	2	5
Sales load payable (Rs in '000)	14	6	1	-	21
Sindh Sales Tax on sales load payable (Rs in '000)	1	-	-	-	1
Allocated expenses payable (Rs in '000)	13	13	29	27	82
Investment (Rs in '000)	-	-	7,513	-	7,513
Investment (Units)	-	-	125,407	-	125,407
<b>Meezan Bank Limited</b>					
Bank balance (Rs in '000)	6,391	7,156	3,395	22,390	39,332
Profit receivable (Rs in '000)	59	60	31	222	372
Sales load payable (Rs in '000)	5	4	2	-	11
<b>Central Depository Company of Pakistan Limited - Trustee</b>					
Trustee Fee payable (Rs in '000)	22	8	18	9	57
Sindh Sales Tax on trustee fee payable (Rs in '000)	4	2	2	1	9

----- (Unaudited) -----					
----- As at December 31, 2019 -----					
	Aggressive	Moderate	Conservative	MAAP-I	Total
<b>Directors and Executives of the Management Company</b>					
Investment (Rs in '000)	-	-	-	-	-
Investment (Units)	-	-	-	-	-
<b>Meezan Islamic Fund</b>					
Investment (Rs in '000)	244,324	75,740	42,322	23,306	385,692
Investment (Units)	4,239,889	1,314,347	734,448	404,447	6,693,131
<b>Meezan Sovereign Fund</b>					
Investment (Rs in '000)	-	-	-	194,814	194,814
Investment (Units)	-	-	-	3,568,343	3,568,343
<b>AI Meezan Mutual Fund</b>					
Investment (Rs in '000)	-	-	-	22,971	22,971
Investment (Units)	-	-	-	1,425,317	1,425,317
<b>Meezan Cash Fund</b>					
Investment (Rs in '000)	-	-	-	-	-
Investment (Units)	-	-	-	-	-
<b>Meezan Islamic Income Fund</b>					
Investment (Rs in '000)	81,442	75,739	126,968	-	284,149
Investment (Units)	1,492,861	1,388,333	2,327,373	-	5,208,567
<b>Meezan Dedicated Equity Fund</b>					
Investment (Rs in '000)	-	-	-	73,787	73,787
Investment (Units)	-	-	-	1,745,369	1,745,369
<b>Unit Holders holding 10% or more units of the Fund</b>					
Investment (Rs in '000)	171,205	-	52,341	162,361	385,907
Investment (Units)	2,521,012	-	873,669	3,231,695	6,626,376

----- (Audited) -----						
----- As at June 30, 2019 -----						As at July 24, 2018
	Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV
<b>AI Meezan Investment Management Limited - Management Company</b>						
Remuneration Payable (Rs in '000)	5	3	2	2	12	69
Sindh Sales Tax on management fee payable (Rs in '000)	1	-	-	-	1	10
Sales load payable (Rs in '000)	19	5	1	-	25	-
Sindh Sales Tax on sales load payable (Rs in '000)	2	1	-	-	3	-
Allocated expenses payable (Rs in '000)	33	17	18	50	118	32
Investment (Rs in '000)	-	-	6,847	-	6,847	-
Investment (Units)	-	-	125,406	-	125,406	-
<b>Meezan Bank Limited</b>						
Bank balance (Rs in '000)	5,530	4,148	4,666	612	14,956	4,045
Profit receivable (Rs in '000)	19	12	12	4	47	196
Sales load payable (Rs in '000)	1	-	-	-	1	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee Fee payable (Rs in '000)	33	15	24	36	108	28
Sindh Sales Tax on trustee fee payable (Rs in '000)	5	3	3	8	19	5
<b>Directors and Executives of the Management Company</b>						
Investment (Rs in '000)	106	0	1,621	-	1,727	-
Investment (Units)	1,818	3	29,687	-	31,508	-



----- (Audited) -----						
----- As at June 30, 2019 -----					As at July 24, 2018	
Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP-IV	
<b>Meezan Islamic Fund</b>						
Investment (Rs in '000)	273,509	101,436	55,073	8,214	438,232	-
Investment (Units)	5,706,434	2,116,314	1,149,027	171,373	9,143,148	-
<b>Meezan Sovereign Fund</b>						
Investment (Rs in '000)	-	-	-	194,373	194,373	-
Investment (Units)	-	-	-	3,775,282	3,775,282	-
<b>AI Meezan Mutual Fund</b>						
Investment (Rs in '000)	-	-	-	531	531	-
Investment (Units)	-	-	-	39,791	39,791	-
<b>Meezan Cash Fund</b>						
Investment (Rs in '000)	45,328	50,431	82,143	426	178,328	-
Investment (Units)	898,802	999,999	1,628,812	8,448	3,536,061	-
<b>Meezan Islamic Income Fund</b>						
Investment (Rs in '000)	45,328	50,431	82,144	-	177,903	-
Investment (Units)	882,014	981,320	1,598,388	-	3,461,722	-
<b>Meezan Dedicated Equity Fund</b>						
Investment (Rs in '000)	-	-	-	400,208	400,208	-
Investment (Units)	-	-	-	11,269,149	11,269,149	-
<b>Unit Holders holding 10% or more units of the Fund</b>						
Investment (Rs in '000)	184,302	49,515	47,703	278,205	559,725	192,410
Investment (Units)	3,167,104	917,442	873,669	5,826,939	10,785,154	4,166,358

----- (Unaudited) -----					
For the period ended December 31, 2019					
Aggressive	Moderate	Conservative	MAAP-I	Total	
<b>Transactions during the period</b>					
<b>AI Meezan Investment Management Limited - Management Company</b>					
Remuneration for the period (Rs in '000)	28	23	19	71	141
Sindh Sales Tax on management fee (Rs in '000)	4	3	2	9	18
Allocated expense (Rs in '000)	166	75	93	214	548
<b>Meezan Bank Limited</b>					
Profit on saving account (Rs in '000)	279	214	180	945	1,618
<b>Central Depository Company of Pakistan Limited - Trustee</b>					
Trustee fee for the period (Rs in '000)	116	53	65	150	384
Sindh Sales Tax on trustee fee (Rs in '000)	15	7	8	19	49
<b>Directors and Executives of the Management Company</b>					
Invested during the period (Rs. in '000)	27,281	3,642	27,651	-	58,574
Invested during the period (Units)	453,202	65,869	483,459	-	1,002,530
Redeemed during the period (Rs. in '000)	27,840	3,566	24,859	-	56,265
Redeemed during the period (Units)	452,788	64,730	438,717	-	956,235
<b>Meezan Islamic Fund</b>					
Invested during the period (Rs. in '000)	10,519	3,657	3,643	39,000	56,819
Invested during the period (Units)	214,233	81,501	81,177	710,176	1,087,087
Redeemed during the period (Rs. in '000)	82,463	43,131	24,694	24,170	174,458
Redeemed during the period (Units)	1,680,778	883,468	495,756	477,102	3,537,104

----- (Unaudited) -----					
For the period ended December 31, 2019					
Aggressive	Moderate	Conservative	MAAP-I	Total	
<b>Meezan Sovereign Fund</b>					
Invested during the period (Rs. in '000)	-	-	-	272,149	272,149
Invested during the period (Units)	-	-	-	5,108,777	5,108,777
Redeemed during the period (Rs. in '000)	-	-	-	277,610	277,610
Redeemed during the period (Units)	-	-	-	5,315,716	5,315,716
<b>Meezan Cash Fund</b>					
Invested during the period (Rs. in '000)	-	-	-	196,312	196,312
Invested during the period (Units)	-	-	-	3,820,833	3,820,833
Redeemed during the period (Rs. in '000)	45,839	50,914	83,034	199,399	379,186
Redeemed during the period (Units)	898,802	999,999	1,628,812	3,829,281	7,356,894
<b>AI Meezan Mutual Fund</b>					
Invested during the period (Rs. in '000)	-	-	-	36,000	36,000
Invested during the period (Units)	-	-	-	2,473,754	2,473,754
Redeemed during the period (Rs. in '000)	-	-	-	16,000	16,000
Redeemed during the period (Units)	-	-	-	1,088,228	1,088,228
<b>Meezan Islamic Income Fund</b>					
Invested during the period (Rs. in '000)	60,427	47,044	80,228	194,650	382,349
Invested during the period (Units)	1,148,732	896,893	1,535,519	3,782,009	7,363,153
Redeemed during the period (Rs. in '000)	28,644	25,657	42,643	197,912	294,856
Redeemed during the period (Units)	537,885	489,880	806,534	3,782,009	5,616,308
<b>Meezan Dedicated Equity Fund</b>					
Invested during the period (Rs. in '000)	-	-	-	15,048	15,048
Invested during the period (Units)	-	-	-	426,698	426,698
Redeemed during the period (Rs. in '000)	-	-	-	333,733	333,733
Redeemed during the period (Units)	-	-	-	9,950,478	9,950,478

----- (Unaudited) -----						
For the period ended December 31, 2018						For the period from July 1, 2018 to July 24, 2018
Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP IV	
----- (Rupees in '000) -----						
<b>AI Meezan Investment Management Limited - Management Company</b>						
Remuneration for the period (Rs in '000)	40	22	36	31	129	69
Sindh Sales Tax on management fee (Rs in '000)	5	3	5	4	17	9
Allocated expense (Rs in '000)	245	132	134	402	913	32
<b>Meezan Bank Limited</b>						
Profit on saving account (Rs in '000)	88	56	80	45	269	152
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee for the period (Rs in '000)	217	117	118	356	808	27
Sindh Sales Tax on trustee fee (Rs in '000)	28	15	15	46	104	4
<b>Directors and Executives of the Management Company</b>						
Invested during the period (Rs. in '000)	-	70	8	-	78	-
Invested during the period (Units)	1	1,063	116	-	1,180	-
Redeemed during the period (Rs. in '000)	11	69	8	-	87	-
Redeemed during the period (Units)	155	1,062	116	-	1,334	-

(Unaudited)						
For the period ended December 31, 2018					For the period from July 1, 2018 to July 24, 2018	
Aggressive	Moderate	Conservative	MAAP-I	Total	MAAP IV	
(Rupees in '000)						
<b>Investment (Units)</b>						
Invested during the period (Rs. in '000)	29,730	11,768	13,344	-	54,842	-
Invested during the period (Units)	495,544	204,757	227,282	-	927,583	-
Redeemed during the period (Rs. in '000)	22,500	30,500	16,550	-	69,550	249,454
Redeemed during the period (Units)	376,529	506,703	274,400	-	1,157,632	3,990,160
<b>Investment (Units)</b>						
Invested during the period (Rs. in '000)	-	-	-	-	-	-
Invested during the period (Units)	-	-	-	9	9	-
Dividend received during the period (Rs. in '000)	-	-	-	-	-	-
Dividend received during the period (Units)	-	-	-	4	4	-
Refund of capital during the period (Rs. in '000)	-	-	-	-	-	-
Refund of capital during the period (Units)	-	-	-	5	5	-
<b>Meezan Cash Fund</b>						
Invested during the period (Rs. in '000)	5,061	3,187	12,805	1,223	22,276	372,084
Invested during the period (Units)	99,756	63,204	251,200	24,238	438,398	7,368,899
Redeemed during the period (Rs. in '000)	11,088	20,104	28,646	27,840	87,678	421,491
Redeemed during the period (Units)	214,809	393,693	558,850	540,004	1,707,356	8,331,559
Dividend received during the period (Rs. in '000)	2,304	2,766	3,957	855	9,882	1,833
Dividend received during the period (Units)	45,686	54,852	78,471	16,949	195,959	36,347
Refund of capital during the period (Rs. in '000)	257	421	410	368	1,455	251
Refund of capital during the period (Units)	5,096	8,352	8,121	7,289	28,858	4,978
<b>AI Meezan Mutual Fund</b>						
Redeemed during the period (Rs. in '000)	-	-	-	-	-	21,964
Redeemed during the period (Units)	-	-	-	-	-	1,304,322
<b>Meezan Islamic Income Fund</b>						
Invested during the period (Rs. in '000)	5,299	3,172	12,785	37,613	58,869	3,280
Invested during the period (Units)	102,478	61,736	246,147	730,485	1,140,846	63,875
Redeemed during the period (Rs. in '000)	11,393	20,164	28,723	30,750	91,030	80,267
Redeemed during the period (Units)	216,559	387,350	549,956	581,864	1,735,729	1,558,092
Dividend received during the period (Rs. in '000)	2,325	2,809	3,989	4,610	13,734	1,736
Dividend received during the period (Units)	45,244	54,664	77,620	89,709	267,237	33,786
Refund of capital during the period (Rs. in '000)	224	363	358	3,003	3,948	1,544
Refund of capital during the period (Units)	4,359	7,072	6,960	58,438	76,829	30,048
<b>Meezan Dedicated Equity Fund</b>						
Invested during the period (Rs. in '000)	-	-	-	26,000	26,000	-
Invested during the period (Units)	-	-	-	602,460	602,460	-
Redeemed during the period (Rs. in '000)	-	-	-	45,260	45,260	99,023
Redeemed during the period (Units)	-	-	-	971,806	971,806	2,136,720

## 12 ALLOCATED EXPENSES

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

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund.

**13 TOTAL EXPENSE RATIO**

	As at December 31, 2019			
	Aggressive	Moderate	Conservative	MAAP I
Total Expense Ratio (TER)	0.88%	0.81%	0.66%	0.39%
Government levy, Sindh Workers' Welfare Fund and SECP fee	0.60%	0.51%	0.38%	0.10%

	As at June 30, 2019			
	Aggressive	Moderate	Conservative	MAAP I
Total Expense Ratio (TER)	0.38%	0.38%	0.39%	0.37%
Government levy and SECP fee	0.11%	0.11%	0.11%	0.11%

**14 TAXATION**

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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 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, 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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

**15 FAIR VALUE OF FINANCIAL INSTRUMENTS**

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

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

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

**15.1 Fair value hierarchy**

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

- Level 1: 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, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	(Unaudited)			
	As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>	----- (Rupees in '000) -----			
<b>Financial assets 'at fair value through profit or loss'</b>				
Units of mutual fund	961,413	-	-	961,413

----- (Audited) -----			
As at June 30, 2019			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

**ASSETS****Financial assets 'at fair value through profit or loss'**

Units of mutual fund	1,389,575	-	-	1,389,575
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**16 GENERAL**

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

**16.2** Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements

**17 DATE OF AUTHORISATION**

These condensed interim financial statements were authorised for issue on 10-Feb-2020 by the Board of Directors of the Management Company.

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

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

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

\_\_\_\_\_  
Director

**GUMTI WATER  
FOUNTAIN  
(FAISALABAD)**





**Meezan**  
Strategic Allocation Fund

## **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.

## **UNFOLDING OPPORTUNITIES OF PROGRESS IN THE CITY OF TEXTILE**

- ◆ Kotwali Road Branch, Faisalabad
- ◆ Susan Road Branch, Faisalabad

## 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](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

### RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	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:

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.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) 34326021 - 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, 2019 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 25, 2020



**AUDITOR'S 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, 2019 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, 2019. 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, 2019 and December 31, 2018 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2019.

**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.

  
Chartered Accountants

Engagement Partner: Salman Hussain

Dated: February 26, 2020

Karachi

**MEEZAN STRATEGIC ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT DECEMBER 31, 2019**



**Meezan**  
Strategic Allocation Fund

December 31, 2019 (Unaudited)								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total	
(Rupees in '000)								
<b>Assets</b>								
Balances with banks	5	5,606	522	583	1,022	3,758	7,946	19,437
Investments	6	933,101	549,731	879,211	971,823	235,681	837,800	4,407,347
Receivable against sale of investments		130	-	-	-	-	-	130
Other receivables		67	18	8	36	31	65	225
<b>Total assets</b>		<b>938,904</b>	<b>550,271</b>	<b>879,802</b>	<b>972,881</b>	<b>239,470</b>	<b>845,811</b>	<b>4,427,139</b>
<b>Liabilities</b>								
Payable to AI Meezan Investment Management Limited - Management Company		85	47	74	83	23	79	391
Payable to Central Depository Company of Pakistan Limited - Trustee	7	62	36	58	64	16	56	292
Payable to Securities and Exchange Commission of Pakistan	8	97	56	84	91	25	97	450
Payable against purchase of investments		765	159	265	333	68	751	2,341
Payable against redemption and conversion of units		3,407	67	50	2,121	-	26	5,671
Accrued expenses and other liabilities	10	5,969	1,618	2,573	2,832	637	2,301	15,930
<b>Total liabilities</b>		<b>10,385</b>	<b>1,983</b>	<b>3,104</b>	<b>5,524</b>	<b>769</b>	<b>3,310</b>	<b>25,075</b>
<b>Net assets</b>		<b>928,519</b>	<b>548,288</b>	<b>876,698</b>	<b>967,357</b>	<b>238,701</b>	<b>842,501</b>	<b>4,402,064</b>
<b>Contingencies and commitments</b>	9							
<b>Unit holders' fund</b> (as per statement attached)		<b>928,519</b>	<b>548,288</b>	<b>876,698</b>	<b>967,357</b>	<b>238,701</b>	<b>842,501</b>	<b>4,402,064</b>
(Number of units)								
<b>Number of units in issue</b>		<b>23,589,488</b>	<b>13,130,069</b>	<b>21,582,953</b>	<b>23,415,629</b>	<b>5,067,073</b>	<b>15,305,876</b>	
(Rupees)								
<b>Net asset value per unit</b>		<b>39.3616</b>	<b>41.7582</b>	<b>40.6199</b>	<b>41.3124</b>	<b>47.1083</b>	<b>55.0443</b>	

The annexed notes 1 to 17 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, 2019**

June 30, 2019 (Audited)								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total	
(Rupees in '000)								
<b>Assets</b>								
Balances with banks	5	11,970	4,377	13,180	335	13,450	1,148	44,460
Investments	6	1,063,694	725,020	879,495	1,008,046	303,088	1,102,961	5,082,304
Receivable against sale of investments		-	-	-	-	-	-	-
Other receivables		54	11	13	11	11	9	109
<b>Total assets</b>		<b>1,075,718</b>	<b>729,408</b>	<b>892,688</b>	<b>1,008,392</b>	<b>316,549</b>	<b>1,104,118</b>	<b>5,126,873</b>
<b>Liabilities</b>								
Payable to AI Meezan Investment Management Limited - Management Company		104	66	80	91	33	94	468
Payable to Central Depository Company of Pakistan Limited - Trustee	7	84	55	68	76	24	84	391
Payable to Securities and Exchange Commission of Pakistan	8	1,491	1,032	1,164	1,292	414	1,224	6,617
Payable against purchase of investments		-	-	-	-	-	-	-
Payable against redemption and conversion of units		1,819	265	50	3,765	-	2,965	8,864
Accrued expenses and other liabilities	10	4,737	192	195	394	82	857	6,456
<b>Total liabilities</b>		<b>8,235</b>	<b>1,610</b>	<b>1,557</b>	<b>5,618</b>	<b>553</b>	<b>5,224</b>	<b>22,796</b>
<b>Net assets</b>		<b>1,067,483</b>	<b>727,798</b>	<b>891,131</b>	<b>1,002,774</b>	<b>315,996</b>	<b>1,098,894</b>	<b>5,104,077</b>
<b>Contingencies and commitments</b>	9							
<b>Unit holders' fund</b> (as per statement attached)		<b>1,067,483</b>	<b>727,798</b>	<b>891,131</b>	<b>1,002,774</b>	<b>315,996</b>	<b>1,098,894</b>	<b>5,104,077</b>
(Number of units)								
<b>Number of units in issue</b>		<b>29,262,088</b>	<b>20,213,719</b>	<b>25,406,240</b>	<b>28,125,336</b>	<b>7,747,051</b>	<b>21,462,301</b>	
(Rupees)								
<b>Net asset value per unit</b>		<b>36.4801</b>	<b>36.0051</b>	<b>35.0753</b>	<b>35.6538</b>	<b>40.7893</b>	<b>51.2011</b>	

The annexed notes 1 to 17 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 PERIOD ENDED DECEMBER 31, 2019**

Six months period ended December 31, 2019								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total	
(Rupees in '000)								
<b>Income</b>								
	(17,876)	(3,960)	572	1,511	(3,855)	14,255	(9,353)	
Net realised (loss) / gain on sale of investments								
Profit on saving accounts with banks	357	179	208	296	213	492	1,745	
Dividend income	22,292	7,584	11,531	12,361	3,209	24,806	81,783	
Other income	-	-	-	-	-	3,185	3,185	
	4,773	3,803	12,311	14,168	(433)	42,738	77,360	
Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss'	6.1	57,960	68,475	107,095	117,122	29,050	22,994	402,696
<b>Total income</b>	<b>62,733</b>	<b>72,278</b>	<b>119,406</b>	<b>131,290</b>	<b>28,617</b>	<b>65,732</b>	<b>480,056</b>	
<b>Expenses</b>								
Remuneration of Al Meezan Investment Management Limited - Management Company	34	24	21	12	39	32	162	
Sindh Sales Tax on remuneration to Management Company	4	2	3	2	5	4	20	
Allocated expenses	12	472	274	409	447	123	472	2,197
Remuneration of Central Depository Company of Pakistan Limited - Trustee	7	331	192	286	313	86	331	1,539
Sindh Sales Tax on trustee fee		43	25	37	41	11	43	200
Annual fee to Securities and Exchange Commission of Pakistan	8	97	56	84	91	25	97	450
Auditors' remuneration		94	56	81	88	24	81	424
Fees and subscription		35	21	29	32	10	35	162
Printing charges		-	-	-	-	-	-	-
Provision for Sindh Workers' Welfare Fund (SWWF)	10.1	1,232	1,432	2,369	2,605	566	1,292	9,496
Bank and settlement charges		6	6	-	-	1	25	38
<b>Total expenses</b>	<b>2,348</b>	<b>2,088</b>	<b>3,319</b>	<b>3,631</b>	<b>890</b>	<b>2,412</b>	<b>14,688</b>	
<b>Net income for the period before taxation</b>	<b>60,385</b>	<b>70,190</b>	<b>116,087</b>	<b>127,659</b>	<b>27,727</b>	<b>63,320</b>	<b>465,368</b>	
Taxation	14	-	-	-	-	-	-	
<b>Net income for the period after taxation</b>	<b>60,385</b>	<b>70,190</b>	<b>116,087</b>	<b>127,659</b>	<b>27,727</b>	<b>63,320</b>	<b>465,368</b>	
<b>Allocation of net income for the period</b>								
Net income for the period after taxation	60,385	70,190	116,087	127,659	27,727	63,320	465,368	
Income already paid on units redeemed	-	-	-	-	-	(4,497)	(4,497)	
	<b>60,385</b>	<b>70,190</b>	<b>116,087</b>	<b>127,659</b>	<b>27,727</b>	<b>58,823</b>	<b>460,871</b>	
<b>Accounting income available for distribution</b>								
- Relating to capital gains	40,084	64,515	107,667	118,633	25,195	37,249	393,343	
- Excluding capital gains	20,301	5,675	8,420	9,026	2,532	21,574	67,528	
	<b>60,385</b>	<b>70,190</b>	<b>116,087</b>	<b>127,659</b>	<b>27,727</b>	<b>58,823</b>	<b>460,871</b>	

The annexed notes 1 to 17 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 INCOME STATEMENT (UNAUDITED)  
FOR THE PERIOD ENDED DECEMBER 31, 2019**

		Six months period ended December 31, 2018					
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
(Rupees in '000)							
<b>Income</b>							
	(38,799)	(4,539)	(6,447)	(10,677)	(2,578)	(19,428)	(82,468)
	106	166	71	101	66	31	541
	13,001	9,425	10,866	13,046	3,675	16,480	66,493
	-	-	-	-	337	1,072	1,409
	(25,692)	5,052	4,490	2,470	1,500	(1,845)	(14,025)
	Net unrealised (diminution) / appreciation on re-measurement of investments - 'at fair value through profit or loss'						
6.1	(125,939)	(106,044)	(115,534)	(124,458)	(41,005)	10,554	(502,426)
	<b>Total (loss) / income</b>	<b>(151,631)</b>	<b>(100,992)</b>	<b>(111,044)</b>	<b>(121,988)</b>	<b>8,709</b>	<b>(516,451)</b>
<b>Expenses</b>							
	56	50	27	45	28	15	221
	7	7	4	6	4	2	30
12	919	617	678	756	247	680	3,897
7	719	483	530	591	194	532	3,049
	93	63	69	77	25	69	396
8	873	586	644	718	235	646	3,702
	80	54	57	64	21	56	332
	39	25	28	32	11	29	164
	47	32	35	39	13	35	201
10.1	-	-	-	-	-	133	133
	11	2	20	6	1	-	40
	<b>Total expenses</b>	<b>2,844</b>	<b>1,919</b>	<b>2,092</b>	<b>2,334</b>	<b>779</b>	<b>12,165</b>
	<b>Net (loss) / income for the period before taxation</b>	<b>(154,475)</b>	<b>(102,911)</b>	<b>(113,136)</b>	<b>(124,322)</b>	<b>(40,284)</b>	<b>6,512</b>
14	-	-	-	-	-	-	-
	<b>Net (loss) / income for the period after taxation</b>	<b>(154,475)</b>	<b>(102,911)</b>	<b>(113,136)</b>	<b>(124,322)</b>	<b>(40,284)</b>	<b>6,512</b>
<b>Allocation of net income for the period</b>							
	-	-	-	-	-	6,512	6,512
	-	-	-	-	-	(335)	(335)
	-	-	-	-	-	6,177	6,177
<b>Accounting income available for distribution</b>							
	-	-	-	-	-	-	-
	-	-	-	-	-	6,177	6,177
	-	-	-	-	-	6,177	6,177

The annexed notes 1 to 17 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, 2019**

For the quarter ended December 31, 2019								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total	
(Rupees in '000)								
<b>Income</b>								
	4,281	2,264	1,176	4,219	98	15,636	27,674	
Net realised gain on sale of investments								
Profit on saving accounts with banks	133	73	37	199	114	336	892	
Dividend income	16,688	4,887	7,550	8,103	2,033	17,742	57,003	
Other income	-	-	-	-	-	2,011	2,011	
	21,102	7,224	8,763	12,521	2,245	35,725	87,580	
Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss'	6.1	88,335	90,922	142,014	155,236	39,508	13,989	530,004
<b>Total income</b>		109,437	98,146	150,777	167,757	41,753	49,714	617,584
<b>Expenses</b>								
Remuneration of AI Meezan Investment Management Limited - Management Company	12	9	1	4	11	15	52	
Sindh Sales Tax on remuneration to Management Company	1	-	-	1	1	2	5	
Allocated expenses	12	233	134	208	229	58	1,074	
Remuneration to Central Depository Company of Pakistan Limited - Trustee	7	163	94	145	160	40	751	
Sindh Sales Tax on trustee fee		21	12	19	21	5	97	
Annual fee to Securities and Exchange Commission of Pakistan	8	47	26	42	45	11	214	
Auditors' remuneration		75	45	65	70	19	334	
Fees and subscription		15	9	12	14	5	68	
Printing charges		-	-	-	-	-	-	
Provision for Sindh Workers' Welfare Fund	10.1	1,232	1,432	2,369	2,605	566	984	
Bank and settlement charges		6	4	-	-	1	13	
<b>Total expenses</b>		1,804	1,764	2,861	3,150	717	1,510	11,806
<b>Net income for the quarter before taxation</b>		107,633	96,382	147,916	164,607	41,036	48,204	605,778
Taxation	14	-	-	-	-	-	-	-
<b>Net income for the quarter after taxation</b>		107,633	96,382	147,916	164,607	41,036	48,204	605,778

The annexed notes 1 to 17 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, 2019**

		For the quarter ended December 31, 2018					
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
(Rupees in '000)							
<b>Income</b>							
	(12,317)	(2,271)	(3,402)	(4,520)	(1,839)	(13,543)	(37,892)
Net realised loss on sale of investments							
Profit on saving accounts with banks	69	88	42	39	35	8	281
Dividend income	-	-	-	-	-	-	-
Other income	-	-	-	-	151	587	738
	(12,248)	(2,183)	(3,360)	(4,481)	(1,653)	(12,948)	(36,873)
Net unrealised (diminution) / appreciation on re-measurement of investments - 'at fair value through profit or loss'	(101,354)	(75,356)	(82,242)	(88,109)	(28,707)	14,066	(361,702)
<b>Total (loss) / income</b>	<b>(113,602)</b>	<b>(77,539)</b>	<b>(85,602)</b>	<b>(92,590)</b>	<b>(30,360)</b>	<b>1,118</b>	<b>(398,575)</b>
<b>Expenses</b>							
Remuneration of AI Meezan Investment Management Limited - Management Company	35	17	16	17	15	5	105
Sindh Sales Tax on remuneration to Management Company	4	2	3	2	2	1	14
Allocated expenses	12	441	298	330	354	118	338
Remuneration to Central Depository Company of Pakistan Limited - Trustee	7	345	234	258	277	93	265
Sindh Sales Tax on trustee fee	44	31	34	36	12	34	191
Annual fee to Securities and Exchange Commission of Pakistan	8	419	283	313	336	112	321
Auditors' remuneration	38	26	28	30	11	29	162
Fees and subscription	17	10	10	13	5	13	68
Printing charges	23	16	18	19	7	18	101
Provision for Sindh Workers' Welfare Fund	10.1	-	-	-	-	2	2
Bank and settlement charges	2	-	-	2	-	-	4
<b>Total expenses</b>	<b>1,368</b>	<b>917</b>	<b>1,010</b>	<b>1,086</b>	<b>375</b>	<b>1,026</b>	<b>5,782</b>
<b>Net (loss) / income for the quarter before taxation</b>	<b>(114,970)</b>	<b>(78,456)</b>	<b>(86,612)</b>	<b>(93,676)</b>	<b>(30,735)</b>	<b>92</b>	<b>(404,357)</b>
Taxation	14	-	-	-	-	-	-
<b>Net (loss) / income for the quarter after taxation</b>	<b>(114,970)</b>	<b>(78,456)</b>	<b>(86,612)</b>	<b>(93,676)</b>	<b>(30,735)</b>	<b>92</b>	<b>(404,357)</b>

The annexed notes 1 to 17 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 PERIOD ENDED DECEMBER 31, 2019**

Six months period ended December 31, 2019							
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total	
(Rupees in '000)							
Net income for the period after taxation	60,385	70,190	116,087	127,659	27,727	63,320	465,368
Other comprehensive income for the period	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>60,385</b>	<b>70,190</b>	<b>116,087</b>	<b>127,659</b>	<b>27,727</b>	<b>63,320</b>	<b>465,368</b>

Six months period ended December 31, 2018							
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total	
(Rupees in '000)							
Net (loss) / income for the period after taxation	(154,475)	(102,911)	(113,136)	(124,322)	(40,284)	6,512	(528,616)
Other comprehensive income for the period	-	-	-	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(154,475)</b>	<b>(102,911)</b>	<b>(113,136)</b>	<b>(124,322)</b>	<b>(40,284)</b>	<b>6,512</b>	<b>(528,616)</b>

The annexed notes 1 to 17 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, 2019**

	For the quarter ended December 31, 2019						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	
	----- (Rupees in '000) -----						
Net income for the period after taxation	107,633	96,382	147,916	164,607	41,036	48,204	605,778
Other comprehensive income for the period	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>107,633</u>	<u>96,382</u>	<u>147,916</u>	<u>164,607</u>	<u>41,036</u>	<u>48,204</u>	<u>605,778</u>

	For the quarter ended December 31, 2018						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	
	----- (Rupees in '000) -----						
Net (loss) / income for the period after taxation	(114,970)	(78,456)	(86,612)	(93,676)	(30,735)	92	(404,357)
Other comprehensive income for the period	-	-	-	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<u>(114,970)</u>	<u>(78,456)</u>	<u>(86,612)</u>	<u>(93,676)</u>	<u>(30,735)</u>	<u>92</u>	<u>(404,357)</u>

The annexed notes 1 to 17 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  
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)  
FOR THE PERIOD ENDED DECEMBER 31, 2019**

	Six months period ended December 31, 2019																				
	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	Accumulated loss	Total	Capital Value	Accumulated loss	Total
(Rupees in '000)																					
Net assets at the beginning of the period	1,629,216	(561,733)	1,067,483	1,131,721	(403,923)	727,798	1,380,178	(489,047)	891,131	1,521,504	(518,730)	1,002,774	395,264	(79,268)	315,996	1,077,850	21,044	1,098,894	7,135,734	(2,031,657)	5,104,077
Redemption of units:																					
MSAP - I: 5,672,600 units / MSAP - II: 7,083,650 units /																					
MSAP - III: 3,823,287 units / MSAP - IV: 4,709,707 units / MSAP - V: 2,679,978 units,																					
MCPPI - III: 156,425 units																					
- Capital value (at net asset value per unit at the beginning of the period)	206,937	-	206,937	255,048	-	255,048	134,103	-	134,103	167,919	-	167,919	109,314	-	109,314	315,216	-	315,216	873,321	-	873,321
- Element of (income) / loss	(7,588)	-	(7,588)	(5,348)	-	(5,348)	(3,583)	-	(3,583)	(4,843)	-	(4,843)	(4,292)	-	(4,292)	-	4,497	4,497	(25,654)	4,497	(21,157)
Total payments on redemption of units	199,349	-	199,349	249,700	-	249,700	130,520	-	130,520	163,076	-	163,076	105,022	-	105,022	315,216	4,497	319,713	847,667	4,497	852,164
Total comprehensive income / (loss) for the period	-	60,385	60,385	-	70,190	70,190	-	116,087	116,087	-	127,659	127,659	-	27,727	27,727	-	63,320	63,320	-	402,048	402,048
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	60,385	60,385	-	70,190	70,190	-	116,087	116,087	-	127,659	127,659	-	27,727	27,727	-	63,320	63,320	-	402,048	402,048
Net assets at the end of the period	1,429,867	(501,348)	928,519	882,021	(333,733)	548,288	1,249,658	(372,960)	876,698	1,358,428	(391,071)	967,357	290,242	(51,541)	238,701	762,634	79,867	842,501	6,288,067	(1,634,106)	4,653,961
Accumulated loss brought forward																					
- Realised (loss) / income		(351,036)		(328,595)			(404,214)			(427,554)			(50,077)			(7,886)			(1,569,362)		
- Unrealised (loss) / income		(210,697)		(75,328)			(84,833)			(91,176)			(29,191)			28,930			(462,295)		
		(561,733)		(403,923)			(489,047)			(518,730)			(79,268)			21,044			(2,031,657)		
Accounting income available for distribution																					
- Relating to capital gains	40,084			64,515			107,667			118,633			25,195			37,249			393,343		
- Excluding capital gains	20,301			5,675			8,420			9,026			2,532			21,574			67,528		
	60,385			70,190			116,087			127,659			27,727			58,823			460,871		
Net (loss) / income for the period after taxation																					
Distribution during the period																					
(Accumulated loss) / undistributed income carried forward	(501,348)			(333,733)			(372,960)			(391,071)			(51,541)			79,867			(1,570,786)		
(Accumulated loss) / undistributed income carried forward																					
- Realised loss	(559,308)			(402,208)			(480,055)			(508,193)			(80,591)			56,873			(1,973,482)		
- Unrealised (loss) / income	57,960			68,475			107,095			117,122			29,050			22,994			402,696		
	(501,348)			(333,733)			(372,960)			(391,071)			(51,541)			79,867			(1,570,786)		
Net asset value per unit as at the beginning of the period			Rupees			Rupees			Rupees			Rupees			Rupees			Rupees			
			36.4801			36.0051			35.0753			35.6538			40.7893			51.2011			
Net asset value per unit as at the end of the period			39.3616			41.7582			40.6199			41.3124			47.1083			55.0443			

The annexed notes 1 to 17 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  
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)  
FOR THE PERIOD ENDED DECEMBER 31, 2019**

	Six months period ended December 31, 2018																				
	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	Accumulated loss	Total	Capital Value	Accumulated loss	Total
(Rupees in '000)																					
Net assets at the beginning of the period	2,243,221	(297,759)	1,945,462	1,516,558	(227,213)	1,289,345	1,709,505	(286,294)	1,423,211	1,957,929	(292,424)	1,665,505	528,299	(7,187)	521,112	1,367,662	(2,491)	1,365,171	9,323,174	(1,113,368)	8,209,806
Redemption of units:																					
MSAP - I: 5,867,793 units / MSAP - II: 2,309,554 units / MSAP - III: 2,233,530 units /																					
MSAP - IV: 5,289,332 units / MSAP - V: 1,210,286 units, MCPP - III: 1,070,939 units																					
- Capital value (at net asset value per unit at the beginning of the period)	258,264	-	258,264	99,417	-	99,417	93,838	-	93,838	225,962	-	225,962	58,990	-	58,990	53,648	-	53,648	790,119	-	790,119
- Element of (income) / loss	(9,481)	-	(9,481)	(4,289)	-	(4,289)	(3,242)	-	(3,242)	(5,011)	-	(5,011)	(2,310)	-	(2,310)	(148)	335	187	(24,481)	335	(24,146)
Total payments on redemption of units	248,783	-	248,783	95,128	-	95,128	90,596	-	90,596	220,951	-	220,951	56,680	-	56,680	53,500	335	53,835	765,638	335	765,973
Total comprehensive (loss) / income for the period	-	(154,475)	(154,475)	-	(102,911)	(102,911)	-	(113,136)	(113,136)	-	(124,322)	(124,322)	-	(40,284)	(40,284)	-	6,512	6,512	-	(528,616)	(528,616)
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(154,475)	(154,475)	-	(102,911)	(102,911)	-	(113,136)	(113,136)	-	(124,322)	(124,322)	-	(40,284)	(40,284)	-	6,512	6,512	-	(528,616)	(528,616)
Net assets at the end of the period	1,994,438	(452,234)	1,542,204	1,421,430	(330,124)	1,091,306	1,618,909	(399,430)	1,219,479	1,736,978	(416,746)	1,320,232	471,619	(47,471)	424,148	1,314,162	3,686	1,317,848	8,557,536	(1,642,319)	6,915,217
Accumulated loss brought forward																					
- Realised (loss) / income	(105,369)			(74,165)			(116,408)			(121,353)			5,171			(14,702)			(426,826)		
- Unrealised (loss) / income	(192,390)			(153,048)			(169,886)			(171,071)			(12,358)			12,211			(686,542)		
	(297,759)			(227,213)			(286,294)			(292,424)			(7,187)			(2,491)			(1,113,368)		
Accounting income available for distribution																					
- Relating to capital gains	-			-			-			-			-			-			-		
- Excluding capital gains	-			-			-			-			-			6,177			6,177		
Net (loss) / income for the period after taxation	(154,475)			(102,911)			(113,136)			(124,322)			(40,284)			-			(535,128)		
Distribution during the period	-			-			-			-			-			-			-		
(Accumulated loss) / undistributed income carried forward	(452,234)			(330,124)			(399,430)			(416,746)			(47,471)			3,686			(1,642,319)		
(Accumulated loss) / undistributed income carried forward																					
- Realised loss	(326,295)			(224,080)			(283,896)			(292,288)			(6,466)			(6,868)			(1,139,893)		
- Unrealised (loss) / income	(125,939)			(106,044)			(115,534)			(124,458)			(41,005)			10,554			(502,426)		
	(452,234)			(330,124)			(399,430)			(416,746)			(47,471)			3,686			(1,642,319)		
Net asset value per unit as at the beginning of the period	Rupees 44.0138			Rupees 43.0461			Rupees 42.0135			Rupees 42.7203			Rupees 48.7410			Rupees 50.0951					
Net asset value per unit as at the end of the period	Rupees 40.2313			Rupees 39.4784			Rupees 38.5404			Rupees 39.1796			Rupees 44.7359			Rupees 50.3368					

The annexed notes 1 to 17 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 CASH FLOW STATEMENT (UNAUDITED)  
FOR THE PERIOD ENDED DECEMBER 31, 2019**

Six months period ended December 31, 2019							
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
------(Rupees in '000)-----							
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Net income for the period before taxation	60,385	70,190	116,087	127,659	27,727	63,320	465,368
<b>Adjustments for:</b>							
Net unrealised (appreciation) on re-measurement of investments 'at fair value through profit or loss'	(57,960)	(68,475)	(107,095)	(117,122)	(29,050)	(22,994)	(402,696)
	2,425	1,715	8,992	10,537	(1,323)	40,326	62,672
<b>Decrease in assets</b>							
Investments - net	188,553	243,764	107,379	153,345	96,457	288,155	1,077,653
Receivable against sale of investments	(130)	-	-	-	-	-	(130)
Other receivables	(13)	(7)	5	(25)	(20)	(56)	(116)
	188,410	243,757	107,384	153,320	96,437	288,099	1,077,407
<b>Increase in liabilities</b>							
Payable to Al Meezan Investment Management Limited - Management Company	(19)	(19)	(6)	(8)	(10)	(15)	(77)
Payable to Central Depository Company of Pakistan Limited - Trustee	(22)	(19)	(10)	(12)	(8)	(28)	(99)
Payable to Securities and Exchange Commission of Pakistan	(1,394)	(976)	(1,080)	(1,201)	(389)	(1,127)	(6,167)
Payable against purchase of investments	765	159	265	333	68	751	2,341
Accrued expenses and other liabilities	1,231	1,426	2,378	2,438	555	1,444	9,473
	561	571	1,547	1,550	216	1,025	5,470
<b>Net cash generated from operating activities</b>	191,396	246,043	117,923	165,407	95,330	329,450	1,145,549
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Receipts against issuance and conversion of units	-	-	-	-	-	-	-
Payments against redemption and conversion of units	(197,760)	(249,898)	(130,520)	(164,720)	(105,022)	(322,652)	(1,170,572)
<b>Net cash used in financing activities</b>	(197,760)	(249,898)	(130,520)	(164,720)	(105,022)	(322,652)	(1,170,572)
<b>Net increase in cash and cash equivalents during the period</b>	(6,364)	(3,855)	(12,597)	687	(9,692)	6,798	(25,023)
Cash and cash equivalents at the beginning of the period	11,970	4,377	13,180	335	13,450	1,148	44,460
<b>Cash and cash equivalents at the end of the period</b>	5,606	522	583	1,022	3,758	7,946	19,437

The annexed notes 1 to 17 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 PERIOD ENDED DECEMBER 31, 2019**

Six months period ended December 31, 2018							
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
----- (Rupees in '000) -----							
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Net (loss) / income for the period before taxation	(154,475)	(102,911)	(113,136)	(124,322)	(40,284)	6,512	(528,616)
<b>Adjustments for:</b>							
Net unrealised diminution / (appreciation) on re-measurement of investments 'at fair value through profit or loss'	125,939	106,044	115,534	124,458	41,005	(10,554)	502,426
	(28,536)	3,133	2,398	136	721	(4,042)	(26,190)
<b>Decrease / (increase) in assets</b>							
Investments - net	306,900	95,873	97,311	222,951	58,923	58,378	840,336
Receivable against sale of investments	(820)	(630)	-	200	(360)	270	(1,340)
Other receivables	(34)	(10)	(16)	9	5	2	(44)
	306,046	95,233	97,295	223,160	58,568	58,650	838,952
<b>(Decrease) / increase in liabilities</b>							
Payable to Al Meezan Investment Management Limited - Management Company	(8)	(8)	(3)	(20)	(4)	-	(43)
Payable to Central Depository Company of Pakistan Limited - Trustee	(23)	(9)	(10)	(20)	(5)	2	(65)
Payable to Securities and Exchange Commission of Pakistan	(1,231)	(787)	(848)	(964)	(155)	79	(3,906)
Payable against purchase of investments	-	-	-	-	-	-	-
Accrued expenses and other liabilities	(30)	(35)	(22)	(20)	-	171	64
	(1,292)	(839)	(883)	(1,024)	(164)	252	(3,950)
<b>Net cash generated from operating activities</b>	<b>276,218</b>	<b>97,527</b>	<b>98,810</b>	<b>222,272</b>	<b>59,125</b>	<b>54,860</b>	<b>808,812</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Receipts against issuance and conversion of units	-	-	-	-	-	-	-
Payments against redemption and conversion of units	(248,764)	(94,126)	(89,500)	(219,602)	(56,178)	(54,309)	(762,479)
<b>Net cash used in financing activities</b>	<b>(248,764)</b>	<b>(94,126)</b>	<b>(89,500)</b>	<b>(219,602)</b>	<b>(56,178)</b>	<b>(54,309)</b>	<b>(762,479)</b>
<b>Net increase in cash and cash equivalents during the period</b>	<b>27,454</b>	<b>3,401</b>	<b>9,310</b>	<b>2,670</b>	<b>2,947</b>	<b>551</b>	<b>46,333</b>
Cash and cash equivalents at the beginning of the period	9,147	1,707	2,158	6,740	5,090	2,939	27,781
<b>Cash and cash equivalents at the end of the period</b>	<b>36,601</b>	<b>5,108</b>	<b>11,468</b>	<b>9,410</b>	<b>8,037</b>	<b>3,490</b>	<b>74,114</b>

The annexed notes 1 to 17 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 PERIOD ENDED DECEMBER 31, 2018**

**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 the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on September 8, 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 the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations) issued through S.R.O.1203(I)/2008 on October 10, 2016. 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.
- 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 Commission 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 the Pakistan Stock Exchange.
- 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 Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. 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. The management may also invest in other Collective Investments Schemes available to it with prior approval of the SECP.
- 1.7** A brief description of the plans is as follows:

Meezan Strategic Allocation Plan-I (MSAP-I)	Low risk - High return through asset allocation 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. The initial maturity of this plan is two years from the close of the subscription period (i.e. December 2, 2016). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan. During the year ended June 30, 2019, the SECP approved the extension of the plan by one year vide its letter no. SCD/AMCW/MSAF/MSAP-1/178/2018 dated November 16, 2018; and a further extension of one year was approved vide letter no. SCD/AMCW/MSAF/MSAP-1/142/2019 dated November 19, 2019.
Meezan Strategic Allocation Plan-II (MSAP-II)	Low risk - High return through asset allocation 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. The initial maturity of this plan is two years from the close of the subscription period (i.e. January 31, 2017). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan.

Meezan Strategic Allocation Plan-III (MSAP-III)	Low risk - High return through asset allocation 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 100 percent. The initial maturity of this plan is two years from the close of the subscription period (i.e. April 3, 2017). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan.
Meezan Strategic Allocation Plan-IV (MSAP-IV)	Low risk - High return through asset allocation 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 100 percent. The initial maturity of this plan is two years from the close of the subscription period (i.e. June 30, 2017). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan.
Meezan Strategic Allocation Plan-V (MSAP-V)	Low risk - High return through asset allocation 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 100 percent. The initial maturity of this plan is two years from the close of the subscription period. The initial maturity of this plan is two years from the close of the subscription period (i.e. October 19, 2017). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan. The SECP approved the extension for the plan by one year vide its letter no. SCD/AMCW/AMIML/109/2019 dated October 11, 2019.
Meezan Capital Preservation Plan-III (MCCP-III)	Low risk - High return through asset allocation 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 100 percent. The initial maturity of this plan is two years from the close of the subscription period (i.e. December 31, 2017). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan.

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. 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 VIII A 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 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 have, however, been 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 period ended June 30, 2019.

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, 2019.

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

**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 audited financial statements of the Fund for the year ended June 30, 2019.

**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 information, 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 period ended June 30, 2019. 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, 2019.

#### **4.3 Standards 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, 2019. 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**

The following amendments would be effective from the dates mentioned below against the respective amendment:

<b>Amendments</b>	<b>Effective date (accounting periods beginning on or after)</b>
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2020
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2020

These amendments may impact the financial statements of the Fund on adoption. The Management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

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, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

## 5 BALANCES WITH BANKS

Note	December 31, 2019 (Unaudited)						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	(Rupees in '000)						
Saving accounts	5,595	512	573	1,012	3,115	7,301	18,108
Current accounts	11	10	10	10	643	645	1,329
	<u>5,606</u>	<u>522</u>	<u>583</u>	<u>1,022</u>	<u>3,758</u>	<u>7,946</u>	<u>19,437</u>

Note	June 30, 2019 (Audited)						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	(Rupees in '000)						
Saving accounts	11,904	4,180	13,170	97	7,807	503	37,661
Current accounts	66	197	10	238	5,643	645	6,799
	<u>11,970</u>	<u>4,377</u>	<u>13,180</u>	<u>335</u>	<u>13,450</u>	<u>1,148</u>	<u>44,460</u>

- 5.1 The balance in saving accounts have an expected profit ranging from 3.20% to 12.75% per annum (June 30, 2019: 6.30% to 11.85% per annum).

## 6 INVESTMENTS

Note	December 31, 2019 (Unaudited)						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	(Rupees in '000)						
Investments - 'at fair value through profit or loss'	933,101	549,731	879,211	971,823	235,681	837,800	4,407,347

Note	June 30, 2019 (Audited)						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	(Rupees in '000)						
Investments - 'at fair value through profit or loss'	1,063,694	725,020	879,495	1,008,046	303,088	1,102,961	5,082,304

### 6.1 Investments - 'at fair value through profit or loss' - Units of mutual funds

Name of investee funds	As at July 1, 2019	Purchases during the period	Redemptions during the period	As at December 31, 2019	Carrying value as at December 31, 2019	Market value as at December 31, 2019	Unrealised (loss) / gain as at December 31, 2019	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
<b>Meezan Strategic Allocation Plan-I</b>									
Al Meezan Mutual Fund	18,848,470	-	9,928,458	8,920,012	119,137	143,757	24,620	15.48	15.41
Kse Meezan Index Fund	202,085	-	197,774	4,311	228	278	49	0.03	0.03
Meezan Dedicated Equity Fund	8,724,482	-	7,953,696	770,785	27,373	32,585	5,212	3.51	3.49
Meezan Islamic Fund	3,358,169	2,561,573	2,825,371	3,094,372	150,235	178,314	28,079	19.20	19.11
Meezan Cash Fund	-	11,301,674	11,301,674	-	-	-	-	-	-
Meezan Islamic Income Fund	4,983,964	1,653,461	6,637,425	-	-	-	-	-	-
Meezan Rozana Amdani Fund	1,486,485	24,936,618	14,859,762	11,563,341	578,167	578,167	-	62.27	61.96
					<b>875,140</b>	<b>933,101</b>	<b>57,960</b>	<b>100.49</b>	<b>100.00</b>
<b>Meezan Strategic Allocation Plan-II</b>									
Al Meezan Mutual Fund	22,818,599	-	9,890,452	12,928,147	172,670	208,353	35,683	38.00	37.90
Kse Meezan Index Fund	137,871	-	345	137,526	7,282	8,854	1,573	1.61	1.61
Meezan Dedicated Equity Fund	1,238,827	-	234,945	1,003,881	35,651	42,440	6,788	7.74	7.72
Meezan Islamic Fund	2,983,781	-	463,901	2,519,880	120,778	145,209	24,431	26.48	26.41
Meezan Cash Fund	1,615	-	1,615	-	-	-	-	-	-
Meezan Islamic Income Fund	3,408,091	1,128,244	4,536,335	-	-	-	-	-	-
Meezan Rozana Amdani Fund	1,014,332	3,565,656	1,682,470	2,897,518	144,876	144,876	-	26.42	26.35
					<b>481,257</b>	<b>549,731</b>	<b>68,475</b>	<b>100.26</b>	<b>100.00</b>
<b>Meezan Strategic Allocation Plan-III</b>									
Kse Meezan Index Fund	168,089	206,923	938	374,075	18,852	24,084	5,232	2.75	2.74
Meezan Dedicated Equity Fund	1,980,130	820,109	1,976,778	823,460	32,119	34,812	2,693	3.97	3.96
Meezan Islamic Fund	10,949,099	1,080,780	1,971,476	10,058,402	480,448	579,617	99,170	66.11	65.92
Meezan Cash Fund	116,448	-	116,448	-	-	-	-	-	-
Meezan Islamic Income Fund	4,056,912	1,361,671	5,418,583	-	-	-	-	-	-
Meezan Rozana Amdani Fund	1,222,400	5,550,915	1,959,367	4,813,949	240,697	240,697	-	27.46	27.38
					<b>772,116</b>	<b>879,211</b>	<b>107,095</b>	<b>100.29</b>	<b>100.00</b>

Name of investee funds	As at July 1, 2019	Purchases during the period	Redemptions during the period	As at December 31, 2019	Carrying value as at December 31, 2019	Market value as at December 31, 2019	Unrealised (loss) / gain as at December 31, 2019	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) -----	
<b>Meezan Strategic Allocation Plan-IV</b>									
Al Meezan Mutual Fund	1,877,734	2,318,303	-	4,196,037	55,079	67,624	12,545	6.99	6.96
Kse Meezan Index Fund	190,753	206,923	994	396,682	20,049	25,540	5,491	2.64	2.63
Meezan Dedicated Equity Fund	1,740,577	1,884,785	2,328,394	1,296,968	45,025	54,830	9,805	5.67	5.64
Meezan Islamic Fund	12,489,097	808,964	3,446,984	9,851,076	478,388	567,670	89,282	58.68	58.41
Meezan Cash Fund	158,201	-	158,201	-	-	-	-	-	-
Meezan Islamic Income Fund	4,583,447	1,558,582	6,142,029	-	-	-	-	-	-
Meezan Rozana Amdani Fund	1,378,452	5,765,768	2,021,040	5,123,180	256,159	256,159	-	26.48	26.36
					<b>854,701</b>	<b>971,823</b>	<b>117,122</b>	<b>100.46</b>	<b>100.00</b>
<b>Meezan Strategic Allocation Plan-V</b>									
Kse Meezan Index Fund	56,659	-	142	56,518	2,993	3,639	646	1.52	1.54
Meezan Dedicated Equity Fund	978,486	-	274,392	704,093	25,005	29,766	4,761	12.47	12.63
Meezan Islamic Fund	3,635,008	-	1,196,390	2,438,618	116,883	140,526	23,643	58.87	59.63
Meezan Cash Fund	786,420	-	786,420	-	-	-	-	-	-
Meezan Islamic Income Fund	787,065	272,288	1,059,353	-	-	-	-	-	-
Meezan Rozana Amdani Fund	220,080	1,795,734	780,807	1,235,008	61,750	61,750	-	25.87	26.20
					<b>206,631</b>	<b>235,681</b>	<b>29,050</b>	<b>98.73</b>	<b>100.00</b>
<b>Meezan Strategic Allocation Plan - MCPP-III</b>									
Meezan Dedicated Equity Fund	5,644,575	7,554,482	9,551,014	3,648,044	131,229	154,223	22,994	18.31	18.41
Meezan Cash Fund	-	37,706,592	37,706,592	-	-	-	-	-	-
Meezan Rozana Amdani Fund	4,521,293	37,336,058	28,185,812	13,671,539	683,577	683,577	-	81.14	81.59
Meezan Sovereign Fund	13,138,372	-	13,138,372	-	-	-	-	-	-
					<b>814,806</b>	<b>837,800</b>	<b>22,994</b>	<b>99.44</b>	<b>100.00</b>
<b>Total investments in units of mutual funds</b>									
Al Meezan Mutual Fund	43,544,803	2,318,303	19,818,910	26,044,196	346,885	419,733	72,848	9.53	9.52
Kse Meezan Index Fund	755,458	413,846	200,192	969,112	49,403	62,394	12,992	1.42	1.42
Meezan Dedicated Equity Fund	20,307,076	10,259,375	22,319,220	8,247,231	296,403	348,657	52,253	7.92	7.91
Meezan Islamic Fund	33,415,155	4,451,317	9,904,123	27,962,349	1,346,732	1,611,336	264,604	36.60	36.56
Meezan Cash Fund	1,062,684	49,008,266	50,070,949	-	-	-	-	-	-
Meezan Islamic Income Fund	17,819,479	5,974,246	23,793,725	-	-	-	-	-	-
Meezan Rozana Amdani Fund	9,843,042	78,950,750	49,489,257	39,304,534	1,965,227	1,965,227	-	44.64	44.59
Meezan Sovereign Fund	13,138,372	-	13,138,372	-	-	-	-	-	-
<b>Total</b>					<b>4,004,650</b>	<b>4,407,347</b>	<b>402,697</b>	<b>100.12</b>	<b>100.00</b>

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

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the trustee has revised its tariff as under:

Previous tariff		Revised Tariff
<b>Net Assets (Rs.)</b>	<b>Fee</b>	0.070% per annum of Net Assets
Upto 1 Billion	0.10% of Net Assets	
Above 1 Billion	Rs. 1 Million plus 0.075% per annum of Net Assets exceeding Rs. 1 Billion	

Accordingly Fund has charged Trustee Fee @ 0.070% p.a. of Net Assets during the period.

#### 8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to fund of funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

## 9. CONTINGENCIES AND COMMITMENTS

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

## 10. ACCRUED EXPENSES AND OTHER LIABILITIES

December 31, 2019 (Unaudited)								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
(Rupees in '000)								
Auditors' remuneration payable	69	40	62	68	18	80	337	
Shariah advisory fee payable	30	23	26	28	6	26	139	
Printing charges payable	155	108	116	131	47	109	666	
Capital gain tax	1	4	-	-	-	126	131	
Zakat payable	-	11	-	-	-	85	96	
Provision for Sindh Workers' Welfare Fund	10.1	5,714	1,432	2,369	2,605	566	1,875	14,561
		<u>5,969</u>	<u>1,618</u>	<u>2,573</u>	<u>2,832</u>	<u>637</u>	<u>2,301</u>	<u>15,930</u>

June 30, 2019 (Audited)								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
(Rupees in '000)								
Auditors' remuneration payable	68	47	54	60	20	75	324	
Shariah advisor fee payable	29	26	24	27	7	26	139	
Printing charges payable	155	106	117	131	45	109	663	
Capital gain tax	-	2	-	-	-	37	39	
Zakat payable	4	11	-	176	10	26	227	
Provision for Sindh Workers' Welfare Fund	10.1	4,481	-	-	-	-	583	5,064
		<u>4,737</u>	<u>192</u>	<u>195</u>	<u>394</u>	<u>82</u>	<u>857</u>	<u>6,456</u>

- 10.1** 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, was 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 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 the 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 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 SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to December 31, 2019, the net asset value of MSAP-I, MSAP-II, MSAP-III, MSAP-IV, MSAP-V and MCPPIII as at December 31, 2019 would have been higher by Re 0.24/0.62%, 0.11/0.26%, 0.11/0.27, 0.11/0.27, 0.11/0.24% and 0.12/0.22% respectively, (June 30, 2019: 0.153/0.42% and 0.027/0.05% for MSAP-I & MCPPIII respectively).

- 10.2** Effective July 1, 2016 mutual funds have been excluded from levy of FED vide Finance Act, 2016, hence no provision for FED has been recognised in the financial statements of the Fund since July 1, 2016.

## 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 unitholders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons / related parties are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

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

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

December 31, 2019 (Unaudited)						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
(Rupees in '000)						
<b>AI Meezan Investment Management Limited - Management Company</b>						
Remuneration payable (Rs in '000)	5	1	-	1	3	16
Sindh Sales Tax on management fee (Rs in '000)	1	-	-	1	-	3
Allocated expenses (Rs in '000)	79	46	74	81	71	371
<b>Meezan Bank Limited</b>						
Bank balance (Rs in '000)	5,539	522	583	1,022	3,758	19,359
Profit receivable (Rs in '000)	68	18	8	36	32	228
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee payable (Rs. in '000)	55	32	51	57	14	259
Sindh Sales Tax on trustee fee payable (Rs. in '000)	7	4	7	7	2	33
<b>AI Meezan Mutual Fund</b>						
Investment (Rs in '000)	143,757	208,353	-	67,624	-	419,733
Investment (Units)	8,920,012	12,928,147	-	4,196,037	-	26,044,196
<b>Kse Meezan Index Fund</b>						
Investment (Rs in '000)	278	8,854	24,084	25,540	3,639	62,394
Investment (Units)	4,311	137,526	374,075	396,682	56,518	969,112
<b>Meezan Dedicated Equity Fund</b>						
Investment (Rs in '000)	32,585	42,440	34,812	54,830	29,766	348,657
Investment (Units)	770,785	1,003,881	823,460	1,296,968	704,093	8,247,231
<b>Meezan Islamic Fund</b>						
Investment (Rs in '000)	178,314	145,209	579,617	567,670	140,526	1,611,336
Investment (Units)	3,094,372	2,519,880	10,058,402	9,851,076	2,438,618	27,962,349
<b>Meezan Rozana Amdani Fund</b>						
Investment (Rs in '000)	578,167	144,876	240,697	256,159	61,750	1,965,227
Investment (Units)	11,563,341	2,897,518	4,813,949	5,123,180	1,235,008	39,304,534
<b>Unitholders holding 10% or more units of the Fund</b>						
Investment (Rs in '000)	102,439	110,454	269,953	-	75,484	558,330
Investment (Units)	2,602,512	2,645,091	6,645,828	-	1,602,342	13,495,773
<b>June 30, 2019 (Audited)</b>						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
(Rupees in '000)						
<b>AI Meezan Investment Management Limited - Management Company</b>						
Remuneration payable (Rs in '000)	10	4	4	4	5	29
Sindh Sales Tax on management fee (Rs in '000)	1	1	1	1	-	5
Allocated expenses (Rs in '000)	93	61	75	86	27	434
Investment (Rs in '000)	-	71,996	-	-	-	71,996
Investment (Units)	-	1,999,600	-	-	-	1,999,600
<b>Meezan Bank Limited</b>						
Bank balance (Rs in '000)	11,958	4,377	13,180	335	13,450	44,438
Profit receivable (Rs in '000)	54	11	13	11	11	109
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee payable (Rs in '000)	74	49	60	68	21	346
Sindh Sales Tax on trustee fee payable (Rs in '000)	10	6	8	8	3	45

June 30, 2019 (Audited)						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total
(Rupees in '000)						
<b>Directors and Executives of the management company</b>						
Investment (Rs in '000)	-	-	(12,369)	-	-	(12,369)
Investment (Units)	-	-	(352,640)	-	-	(352,640)
<b>AI Meezan Mutual Fund</b>						
Investment (Rs in '000)	251,742	304,767	-	25,079	-	581,589
Investment (Units)	18,848,470	22,818,599	-	1,877,734	-	43,544,803
<b>Kse Meezan Index Fund</b>						
Investment (Rs in '000)	10,700	7,300	8,900	10,100	3,000	40,000
Investment (Units)	202,085	137,871	168,089	190,753	56,659	755,458
<b>Meezan Dedicated Equity Fund</b>						
Investment (Rs in '000)	309,838	43,995	70,322	61,814	34,750	721,177
Investment (Units)	8,724,482	1,238,827	1,980,130	1,740,577	978,486	20,307,076
<b>Meezan Islamic Fund</b>						
Investment (Rs in '000)	160,957	143,013	524,790	598,602	174,226	1,601,588
Investment (Units)	3,358,169	2,983,781	10,949,099	12,489,097	3,635,008	33,415,155
<b>Meezan Rozana Amdani Fund</b>						
Investment (Rs in '000)	74,324	50,717	61,120	68,923	11,004	492,152
Investment (Units)	1,486,485	1,014,332	1,222,400	1,378,452	220,080	9,843,042
<b>Meezan Cash Fund</b>						
Investment (Rs in '000)	-	81	5,873	7,978	39,660	53,593
Investment (Units)	-	1,615	116,448	158,201	786,420	1,062,684
<b>Meezan Sovereign Fund</b>						
Investment (Rs in '000)	-	-	-	-	-	676,437
Investment (Units)	-	-	-	-	-	13,138,372
<b>Meezan Islamic Income Fund</b>						
Investment (Rs in '000)	256,133	175,147	208,490	235,550	40,448	915,768
Investment (Units)	4,983,964	3,408,091	4,056,912	4,583,447	787,065	17,819,478
<b>Unitholders holding 10% or more units of the Fund</b>						
Investment (Rs in '000)	-	95,237	233,104	356,182	76,205	930,401
Investment (Units)	-	2,645,091	6,645,828	9,990,010	1,868,272	24,463,050
<b>Transactions during the period</b>						
For the period ended December 31, 2019						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total
(Unaudited)						
<b>AI Meezan Investment Management Limited - Management Company</b>						
Remuneration for the period (Rs in '000)	34	24	21	12	39	162
Sindh Sales Tax on management fee (Rs in '000)	4	2	3	2	5	20
Allocated expenses (Rs in '000)	472	274	409	447	123	2,197
Redeemed during the period (Rs in '000)	-	68,876	-	-	-	68,876
Redeemed during the period (Units)	-	1,999,600	-	-	-	1,999,600
<b>Meezan Bank Limited</b>						
Profit on saving account (Rs in '000)	357	179	208	296	213	1,745
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee (Rs in '000)	331	192	286	313	86	1,539
Sindh Sales Tax on trustee fee (Rs in '000)	43	25	37	41	11	200
<b>AI Meezan Mutual Fund</b>						
Invested during the period (Rs in '000)	-	-	-	30,000	-	30,000
Invested during the period (Units)	-	-	-	2,318,303	-	2,318,303
Redeemed during the period (Rs in '000)	124,470	124,760	-	-	-	249,230
Redeemed during the period (Units)	9,928,458	9,890,452	-	-	-	19,818,910

For the period ended December 31, 2019							
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
(Unaudited)							
<b>Kse Meezan Index Fund</b>							
Invested during the period (Rs in '000)	-	-	10,000	10,000	-	-	20,000
Invested during the period (Units)	-	-	206,923	206,923	-	-	413,846
Redeemed during the period (Rs in '000)	10,027	18	48	51	7	-	10,152
Redeemed during the period (Units)	197,774	345	938	994	142	-	200,192
<b>Meezan Dedicated Equity Fund</b>							
Invested during the period (Rs in '000)	-	-	32,000	65,000	-	258,000	355,000
Invested during the period (Units)	-	-	820,109	1,884,785	-	7,554,482	10,259,375
Redeemed during the period (Rs in '000)	275,200	8,300	68,000	87,430	9,650	316,385	764,965
Redeemed during the period (Units)	7,953,696	234,945	1,976,778	2,328,394	274,392	9,551,014	22,319,220
<b>Meezan Islamic Fund</b>							
Invested during the period (Rs in '000)	125,000	-	50,000	45,000	-	-	220,000
Invested during the period (Units)	2,561,573	-	1,080,780	808,964	-	-	4,451,317
Redeemed during the period (Rs in '000)	128,060	22,810	93,310	156,890	52,340	-	453,410
Redeemed during the period (Units)	2,825,371	463,901	1,971,476	3,446,984	1,196,390	-	9,904,123
<b>Meezan Cash Fund</b>							
Invested during the period (Rs in '000)	596,752	-	-	-	-	1,920,793	2,517,545
Invested during the period (Units)	11,301,674	-	-	-	-	37,706,592	49,008,266
Redeemed during the period (Rs in '000)	597,678	83	5,962	8,081	40,264	1,944,928	2,596,997
Redeemed during the period (Units)	11,301,674	1,615	116,448	158,201	786,420	37,706,592	50,070,949
<b>Meezan Islamic Income Fund</b>							
Invested during the period (Rs in '000)	85,606	58,413	70,498	80,687	14,090	-	309,295
Invested during the period (Units)	1,653,461	1,128,244	1,361,670	1,558,582	272,289	-	5,974,246
Redeemed during the period (Rs in '000)	346,444	236,405	282,706	320,327	55,178	-	1,241,059
Redeemed during the period (Units)	6,637,425	4,536,335	5,418,583	6,142,029	1,059,353	-	23,793,725
<b>Meezan Rozana Amdani Fund</b>							
Invested during the period (Rs in '000)	1,246,831	178,283	277,546	288,288	89,787	1,866,803	3,947,537
Invested during the period (Units)	24,936,618	3,565,656	5,550,915	5,765,768	1,795,734	37,336,058	78,950,750
Redeemed during the period (Rs in '000)	742,988	84,123	97,968	101,052	39,040	1,409,291	2,474,463
Redeemed during the period (Units)	14,859,762	1,682,470	1,959,367	2,021,040	780,807	28,185,812	49,489,257
Dividend during the period (Rs in '000)	22,292	7,584	11,531	12,361	3,209	24,806	81,783
Dividend during the period (Units)	445,848	151,670	230,627	247,215	64,189	496,118	1,635,667
<b>Meezan Sovereign Fund</b>							
Redeemed during the period (Rs in '000)	-	-	-	-	-	677,403	677,403
Redeemed during the period (Units)	-	-	-	-	-	13,138,372	13,138,372
<b>For the period ended December 31, 2018</b>							
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
(Unaudited)							
<b>AI Meezan Investment Management Limited - Management Company</b>							
Remuneration for the period (Rs in '000)	56	50	27	45	28	15	221
Sindh Sales Tax on management fee (Rs in '000)	7	7	4	6	4	2	30
Allocated expenses (Rs in '000)	919	617	678	756	247	680	3,897
<b>Meezan Bank Limited</b>							
Profit on saving account (Rs in '000)	106	166	71	101	66	31	541
<b>Central Depository Company of Pakistan Limited - Trustee</b>							
Trustee fee (Rs in '000)	719	483	530	591	194	532	3,049
Sindh Sales Tax on trustee fee (Rs in '000)	93	63	69	77	25	69	396
<b>AI Meezan Mutual Fund</b>							
Invested during the period (Rs in '000)	100,000	-	-	-	-	-	100,000
Invested during the period (Units)	5,972,333	-	-	-	-	-	5,972,333

## For the period ended December 31, 2018

	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total
	----- (Unaudited) -----						
<b>Meezan Dedicated Equity Fund</b>							
Invested during the period (Rs in '000)	658,000	-	-	-	-	467,200	1,125,200
Invested during the period (Units)	14,059,235	-	-	-	-	10,050,937	24,110,172
Redeemed during the period (Rs in '000)	200,000	-	-	6,220	-	445,872	652,092
Redeemed during the period (Units)	4,253,522	-	-	131,830	-	9,825,883	14,211,235
<b>Meezan Islamic Fund</b>							
Invested during the period (Rs in '000)	207,000	42,000	58,000	69,000	13,000	-	389,000
Invested during the period (Units)	3,444,947	735,631	1,015,919	1,208,617	227,685	-	6,632,799
Redeemed during the period (Rs in '000)	934,415	99,010	117,400	204,500	50,941	-	1,406,266
Redeemed during the period (Units)	15,390,424	1,618,999	1,931,954	3,354,237	841,167	-	23,136,781
<b>Meezan Cash Fund</b>							
Invested during the period (Rs in '000)	3,941	3,550	6,421	7,630	4,644	490,577	516,763
Invested during the period (Units)	78,130	70,389	127,316	151,285	92,100	9,595,642	10,114,862
Redeemed during the period (Rs in '000)	97,777	68,750	96,330	133,600	41,090	517,044	954,591
Redeemed during the period (Units)	1,898,170	1,333,927	1,865,726	2,594,974	796,120	10,095,802	18,584,719
Dividend received during the period (Rs. In '000)	3,863	3,550	6,326	7,528	3,312	16,480	41,059
Dividend received during the period (Units)	76,590	70,388	125,430	149,265	65,681	326,778	814,132
Refund of Capital during the period (Rs. In '000)	78	-	95	102	1,332	33,815	35,422
Refund of Capital during the period (Units)	1,539	1	1,886	2,020	26,419	670,507	702,372
<b>Meezan Islamic Income Fund</b>							
Invested during the period (Rs in '000)	76,984	57,052	62,481	60,088	19,798	-	276,403
Invested during the period (Units)	1,495,164	1,107,934	1,213,228	1,166,844	384,345	-	5,367,515
Redeemed during the period (Rs in '000)	73,910	22,000	-	-	-	-	95,910
Redeemed during the period (Units)	1,396,349	415,558	-	-	-	-	1,811,907
Dividend received during the period (Rs. In '000)	9,138	5,875	4,540	5,519	363	-	25,435
Dividend received during the period (Units)	177,821	114,319	88,340	107,383	7,061	-	494,924
Refund of Capital during the period (Rs. In '000)	7,846	4,177	3,941	4,569	435	-	20,968
Refund of Capital during the period (Units)	152,668	81,285	76,679	88,898	8,470	-	408,000

## 12 ALLOCATED EXPENSES

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

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund during the period.

## 13 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended December 31, 2019 are;

	As at December 31, 2019					
	MSAP - I	MSAP - II	MSAP - III	MSAP - IV	MSAP - V	MCPP - III
	----- Percentage (%) -----					
Total Expense Ratio (TER)	0.50	0.76	0.81	0.81	0.72	0.51
Government levy and SECP fee	0.29	0.55	0.61	0.61	0.49	0.3

	As at June 30, 2019					
	MSAP - I	MSAP - II	MSAP - III	MSAP - IV	MSAP - V	MCPP - III
	----- Percentage (%) -----					
Total Expense Ratio (TER)	0.32	0.31	0.31	0.31	0.32	0.35
Government levy and SECP fee	0.11	0.11	0.11	0.11	0.11	0.15



## 14 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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, 2020 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.

## 15 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.

### 15.1 Fair value hierarchy

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

- Level 1: 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, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

		As at December 31, 2019			
		Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----					
<b>ASSETS</b>					
<b>Financial assets 'at fair value through profit or loss'</b>					
Units of mutual funds		-	4,407,347	-	4,407,347
----- (Rupees in '000) -----					
		As at June 30, 2019			
		Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----					
<b>ASSETS</b>					
<b>Financial assets 'at fair value through profit or loss'</b>					
Units of mutual funds		-	5,082,304	-	5,082,304

## 16 GENERAL

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

16.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

**17 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on 10-Feb-2020 by the Board of  
17.1 Directors of the Management Company.

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

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**Chief Executive**

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**Chief Financial Officer**

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**Director**

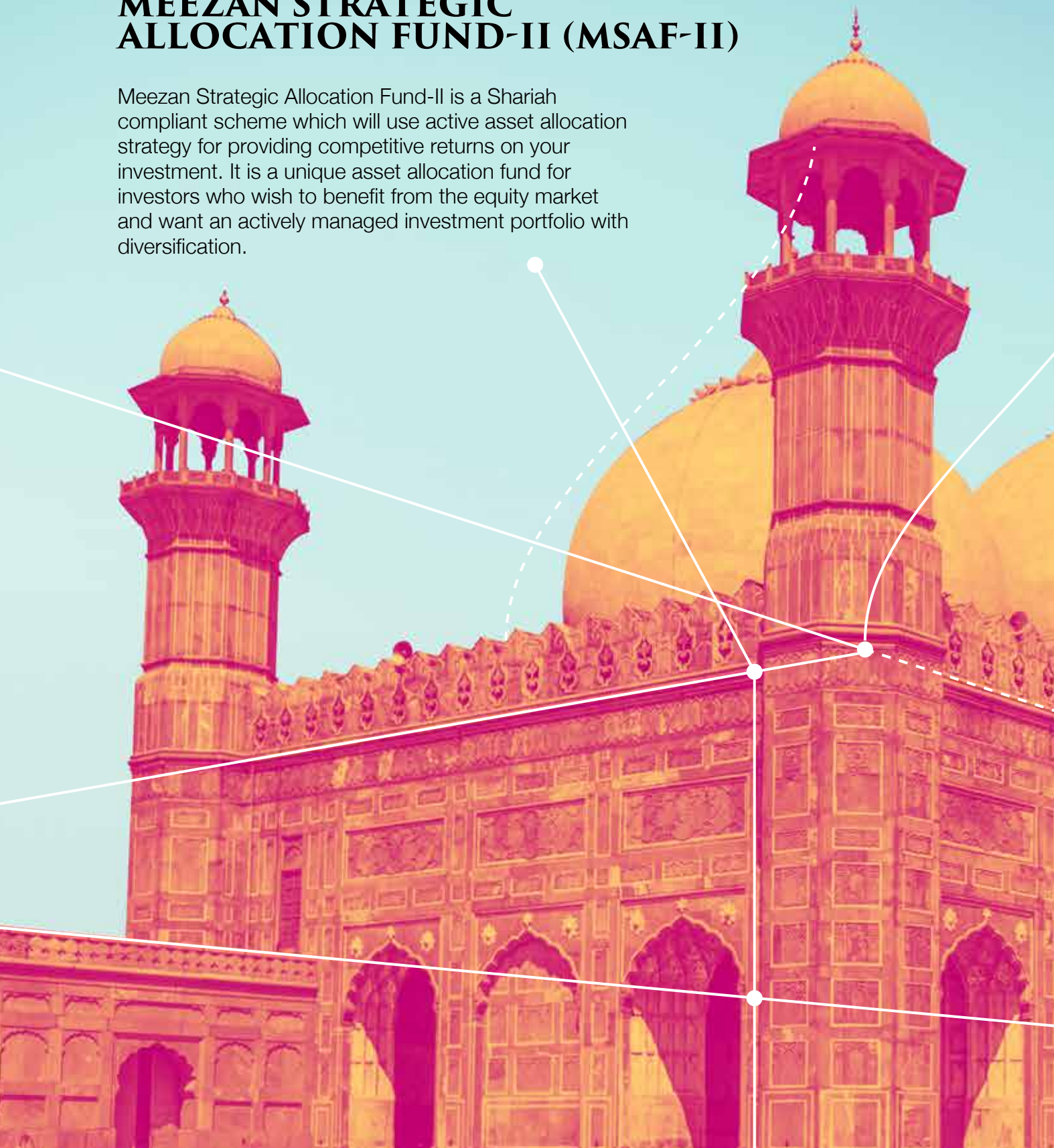


# Meezan

Strategic Allocation Fund-II

## **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.



# PLANTING PROGRESS IN THE CITY OF GARDENS

- ◆ DHA Lahore Branch
- ◆ Gulberg Branch, Lahore
- ◆ Johar Town Branch

**BADSHAHI MOSQUE  
(LAHORE)**



## 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](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

### RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	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

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:

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.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) 34326021 - 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, 2019 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 25, 2020



**AUDITOR'S 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, 2019 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, 2019. 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, 2019 and December 31, 2018 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2019.

**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.

  
Chartered Accountants

Engagement Partner: Salman Hussain

Dated: February 26, 2020

Karachi

**MEEZAN STRATEGIC ALLOCATION FUND - II**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2019**



<b>December 31, 2019 (Unaudited)</b>							
Note	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total	
----- (Rupees in '000) -----							
<b>Assets</b>							
Balances with banks	5	2,603	2,315	2,098	409	3,964	11,389
Investments	6	1,378,524	305,814	299,270	168,948	95,551	2,248,107
Receivable against sale of investments		280	1,610	110	-	-	2,000
Advances, deposits and other receivables		304	142	99	48	65	658
<b>Total assets</b>		<u>1,381,711</u>	<u>309,881</u>	<u>301,577</u>	<u>169,405</u>	<u>99,580</u>	<u>2,262,154</u>
<b>Liabilities</b>							
Payable to Al Meezan Investment Management Limited - Management Company		122	30	29	18	24	223
Payable to Central Depository Company of Pakistan Limited - Trustee	7	93	24	20	12	7	156
Payable to Securities and Exchange Commission of Pakistan		143	40	34	19	11	247
Payable against purchase of investments		991	477	215	148	60	1,891
Payable against redemption and conversion of units		1,145	1,704	223	-	110	3,182
Accrued expenses and other liabilities	10	3,270	1,651	872	461	223	6,477
<b>Total liabilities</b>		<u>5,764</u>	<u>3,926</u>	<u>1,393</u>	<u>658</u>	<u>435</u>	<u>12,176</u>
<b>NET ASSETS</b>		<u>1,375,947</u>	<u>305,955</u>	<u>300,184</u>	<u>168,747</u>	<u>99,145</u>	<u>2,249,978</u>
<b>CONTINGENCIES AND COMMITMENTS</b>							
9							
<b>Unit holders' fund (as per statement attached)</b>		<u>1,375,947</u>	<u>305,955</u>	<u>300,184</u>	<u>168,747</u>	<u>99,145</u>	<u>2,249,978</u>
----- (Number of units) -----							
<b>Number of units in issue</b>		<u>25,128,898</u>	<u>5,568,541</u>	<u>5,491,155</u>	<u>3,057,729</u>	<u>1,838,201</u>	
----- (Rupees) -----							
<b>Net asset value per unit</b>		<u>54.7556</u>	<u>54.9435</u>	<u>54.6668</u>	<u>55.1872</u>	<u>53.9359</u>	

The annexed notes 1 to 17 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 DECEMBER 31, 2019**

		<b>June 30, 2019 (Audited)</b>						
		<b>M CPP-IV</b>	<b>M CPP-V</b>	<b>M CPP-VI</b>	<b>M CPP-VII</b>	<b>M CPP-VIII</b>	<b>Total</b>	
<b>Note</b>		(Rupees in '000)						
<b>Assets</b>								
	Balances with banks	5	1,876	908	1,845	2,960	2,286	9,875
	Investments	6	1,568,641	474,109	382,823	204,711	128,551	2,758,835
	Advances, deposits and other receivables		52	5	21	12	7	97
	<b>Total assets</b>		<u>1,570,569</u>	<u>475,022</u>	<u>384,689</u>	<u>207,683</u>	<u>130,844</u>	<u>2,768,807</u>
<b>Liabilities</b>								
	Payable to AI Meezan Investment Management Limited - Management Company		137	44	45	20	25	271
	Payable to Central Depository Company of Pakistan Limited - Trustee	7	123	40	36	17	10	226
	Payable to Securities and Exchange Commission of Pakistan		1,803	626	467	176	56	3,128
	Payable against purchase of investments		-	252	-	35	-	287
	Payable against redemption and conversion of units		14,713	-	50	-	9	14,772
	Accrued expenses and other liabilities	10	745	153	65	23	20	1,006
	<b>Total liabilities</b>		<u>17,521</u>	<u>1,115</u>	<u>663</u>	<u>271</u>	<u>120</u>	<u>19,690</u>
<b>NET ASSETS</b>			<u>1,553,048</u>	<u>473,907</u>	<u>384,026</u>	<u>207,412</u>	<u>130,724</u>	<u>2,749,117</u>
<b>CONTINGENCIES AND COMMITMENTS</b>		9						
<b>Unit holders' fund (as per statement attached)</b>			<u>1,553,048</u>	<u>473,907</u>	<u>384,026</u>	<u>207,412</u>	<u>130,724</u>	<u>2,749,117</u>
			----- (Number of units) -----					
<b>Number of units in issue</b>			<u>30,985,762</u>	<u>9,456,605</u>	<u>7,686,873</u>	<u>4,144,993</u>	<u>2,667,944</u>	
			----- (Rupees) -----					
<b>Net asset value per unit</b>			<u>50.1213</u>	<u>50.1139</u>	<u>49.9586</u>	<u>50.0391</u>	<u>48.9980</u>	

The annexed notes 1 to 17 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 SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2019**



Six months period ended December 31, 2019						
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total
----- (Rupees in '000) -----						
<b>Income</b>						
Net realised gain / (loss) on sale of investments	12,568	3,800	1,805	2,142	(229)	20,086
Profit on saving accounts with banks	209	103	95	60	177	644
Dividend income	49,932	14,607	12,075	6,530	4,448	87,592
	<u>62,709</u>	<u>18,510</u>	<u>13,975</u>	<u>8,732</u>	<u>4,396</u>	<u>108,322</u>
Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss'	6.1	60,961	14,711	14,276	9,176	5,404
<b>Total income</b>		<u>123,670</u>	<u>33,221</u>	<u>28,251</u>	<u>17,908</u>	<u>9,800</u>
<b>Expenses</b>						
Remuneration to AI Meezan Investment Management Limited - Management Company		11	6	10	9	18
Sindh Sales Tax on remuneration of the Management Company		1	1	1	1	2
Allocated expenses	12	701	195	165	92	54
Remuneration to Central Depository Company of Pakistan Limited - Trustee	7	491	137	115	65	38
Sindh Sales Tax on remuneration of the Trustee		64	18	15	8	5
Annual fee to Securities and Exchange Commission of Pakistan	8	143	40	34	19	11
Auditors' remuneration		181	55	47	27	15
Fees and subscription		139	37	29	15	9
Provision for Sindh Workers' Welfare Fund	10.1	2,438	655	556	353	193
Bank and settlement charges		13	3	7	1	-
<b>Total expenses</b>		<u>4,182</u>	<u>1,147</u>	<u>979</u>	<u>590</u>	<u>345</u>
<b>Net income for the period before taxation</b>		<u>119,488</u>	<u>32,074</u>	<u>27,272</u>	<u>17,318</u>	<u>9,455</u>
Taxation	14	-	-	-	-	-
<b>Net income for the period after taxation</b>		<u>119,488</u>	<u>32,074</u>	<u>27,272</u>	<u>17,318</u>	<u>9,455</u>
<b>Allocation of net income for the period</b>						
Net income for the period after taxation		119,488	32,074	27,272	17,318	9,455
Income already paid on units redeemed		(3,035)	(5,180)	(1,419)	(1,577)	(378)
		<u>116,453</u>	<u>26,894</u>	<u>25,853</u>	<u>15,741</u>	<u>9,077</u>
<b>Accounting income available for distribution</b>						
- Relating to capital gains		73,529	18,511	16,081	11,318	5,175
- Excluding capital gains		42,924	8,383	9,772	4,423	3,902
		<u>116,453</u>	<u>26,894</u>	<u>25,853</u>	<u>15,741</u>	<u>9,077</u>

The annexed notes 1 to 17 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 SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2019**

	December 31, 2018	For the period from July 10, 2018 to December 31, 2018		For the period from September 26, 2018 to December 31, 2018		For the period from December 17, 2018 to December 31, 2018	
		MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
<b>Note</b>		(Rupees in '000)					
<b>Income</b>							
Net realised (loss) / gain on sale of investments	(14,418)	(4,863)	118	886	-	(18,277)	
Profit on balances with banks	190	186	329	223	8	936	
Dividend income	13,834	1,360	-	-	-	15,194	
	(394)	(3,317)	447	1,109	8	(2,147)	
Net unrealised appreciation / (diminution) on re-measurement of investments - 'at fair value through profit or loss' (net)	6.1 20,010	8,761	3,127	(2,316)	13	29,595	
<b>Total Income / (loss)</b>	<b>19,616</b>	<b>5,444</b>	<b>3,574</b>	<b>(1,207)</b>	<b>21</b>	<b>27,448</b>	
<b>Expenses</b>							
Remuneration to AI Meezan Investment Management Limited - Management Company	58	65	126	60	3	312	
Sindh Sales Tax on management fee	8	9	16	8	-	41	
Allocated expenses	12 1,021	368	222	50	-	1,661	
Remuneration to Central Depository Company of Pakistan Limited - Trustee	7 844	304	183	41	-	1,372	
Sindh Sales Tax on trustee fee	110	40	24	5	-	179	
Annual fee to Securities and Exchange Commission of Pakistan	8 970	350	211	47	-	1,578	
Auditors' remuneration	79	28	16	3	-	126	
Fees and subscription	84	30	17	4	-	135	
Printing charges	63	23	13	3	-	102	
Provision for Sindh Workers' Welfare Fund	10.1 327	84	55	-	-	466	
Bank and settlement charges	6	4	17	14	1	42	
<b>Total expenses</b>	<b>3,570</b>	<b>1,305</b>	<b>900</b>	<b>235</b>	<b>4</b>	<b>6,014</b>	
<b>Net Income / (loss) for the period before taxation</b>	<b>16,046</b>	<b>4,139</b>	<b>2,674</b>	<b>(1,442)</b>	<b>17</b>	<b>21,434</b>	
Taxation	14 -	-	-	-	-	-	
<b>Net Income / (loss) for the period after taxation</b>	<b>16,046</b>	<b>4,139</b>	<b>2,674</b>	<b>(1,442)</b>	<b>17</b>	<b>21,434</b>	
<b>Allocation of net income for the period</b>							
Net Income for the period after taxation	16,046	4,139	2,674	-	17	22,876	
Income already paid on units redeemed	(1,188)	(838)	(436)	-	-	(2,462)	
	<b>14,858</b>	<b>3,301</b>	<b>2,238</b>	<b>-</b>	<b>17</b>	<b>20,414</b>	
<b>Accounting income available for distribution</b>							
- Relating to capital gains	5,592	3,898	3,245	-	13	12,748	
- Excluding capital gains	9,266	(597)	(1,007)	-	4	7,666	
	<b>14,858</b>	<b>3,301</b>	<b>2,238</b>	<b>-</b>	<b>17</b>	<b>20,414</b>	

The annexed notes 1 to 17 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 SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2019**

For the quarter ended December 31, 2019						
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total
(Rupees in '000)						
<b>Income</b>						
	5,417	2,973	1,283	1,346	849	11,868
	75	81	64	17	109	346
	31,299	8,142	6,895	3,757	2,036	52,129
	36,791	11,196	8,242	5,120	2,994	64,343
	Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss'					
6.1	78,188	20,559	19,473	12,369	5,404	135,993
	<b>114,979</b>	<b>31,755</b>	<b>27,715</b>	<b>17,489</b>	<b>8,398</b>	<b>200,336</b>
<b>Expenses</b>						
	6	2	6	3	9	26
	-	1	-	-	1	2
12	345	90	79	45	24	583
	241	64	54	32	17	408
	32	9	7	4	2	54
	-	-	-	-	-	-
8	69	18	16	9	5	117
	133	43	37	21	12	246
	100	25	19	10	6	160
10.1	2,280	630	550	347	166	3,973
	13	3	2	1	-	19
	<b>3,219</b>	<b>885</b>	<b>770</b>	<b>472</b>	<b>242</b>	<b>5,588</b>
	<b>111,760</b>	<b>30,870</b>	<b>26,945</b>	<b>17,017</b>	<b>8,156</b>	<b>194,748</b>
	-	-	-	-	-	-
	<b>111,760</b>	<b>30,870</b>	<b>26,945</b>	<b>17,017</b>	<b>8,156</b>	<b>194,748</b>

The annexed notes 1 to 17 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 SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2019**

Note	For the quarter ended December 31, 2018					Total
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	
	(Rupees in '000)					
<b>Income</b>						
Net realised gain / (loss) on sale of investments	2,093	(2,473)	320	886	-	826
Profit on saving accounts with banks	89	26	44	220	8	387
Dividend income	-	-	-	-	-	-
	2,182	(2,447)	364	1,106	8	1,213
Net unrealised appreciation / (diminution) on re-measurement of investments - 'at fair value through profit or loss'	9,834	4,879	2,445	(2,316)	13	14,855
<b>Total income / (loss)</b>	<b>12,016</b>	<b>2,432</b>	<b>2,809</b>	<b>(1,210)</b>	<b>21</b>	<b>16,068</b>
<b>Expenses</b>						
Remuneration to AI Meezan Investment Management Limited - Management Company	28	5	10	59	3	105
Sindh Sales Tax on management fee	4	1	1	8	-	14
Allocated expenses	500	177	155	50	-	882
Remuneration to Central Depository Company of Pakistan Limited - Trustee	411	145	127	41	-	724
Sindh Sales Tax on trustee fee	54	19	17	5	-	95
Annual fee to Securities and Exchange Commission of Pakistan	475	169	147	47	-	838
Auditors' remuneration	37	13	11	3	-	64
Fees and subscription	39	13	14	4	-	70
Printing charges	29	11	9	3	-	52
Provision for Sindh Workers' Welfare Fund	208	37	55	-	-	300
Bank and settlement charges	4	3	7	14	1	29
<b>Total expenses</b>	<b>1,789</b>	<b>593</b>	<b>553</b>	<b>234</b>	<b>4</b>	<b>3,173</b>
<b>Net income / (loss) for the quarter before taxation</b>	<b>10,227</b>	<b>1,839</b>	<b>2,256</b>	<b>(1,444)</b>	<b>17</b>	<b>12,895</b>
Taxation	-	-	-	-	-	-
<b>Net income / (loss) for the quarter after taxation</b>	<b>10,227</b>	<b>1,839</b>	<b>2,256</b>	<b>(1,444)</b>	<b>17</b>	<b>12,895</b>

The annexed notes 1 to 17 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 SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2019**



<b>Six months period ended December 31, 2019</b>						
<b>MCCP-IV</b>	<b>MCCP-V</b>	<b>MCCP-VI</b>	<b>MCCP-VII</b>	<b>MCCP-VIII</b>	<b>Total</b>	
----- (Rupees in '000) -----						
<b>Net income for the period after taxation</b>	119,488	32,074	27,272	17,318	9,455	205,607
Other comprehensive income for the period	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>119,488</u>	<u>32,074</u>	<u>27,272</u>	<u>17,318</u>	<u>9,455</u>	<u>205,607</u>

<b>December 31, 2018</b>	<b>For the period from July 10, 2018 to December 31, 2018</b>		<b>For the period from September 26, 2018 to December 31, 2018</b>		<b>For the period from December 17, 2018 to December 31, 2018</b>	
<b>MCCP-IV</b>	<b>MCCP-V</b>	<b>MCCP-VI</b>	<b>MCCP-VII</b>	<b>MCCP-VIII</b>	<b>Total</b>	
----- (Rupees in '000) -----						
<b>Net income / (loss) for the period after taxation</b>	16,049	4,139	2,675	(1,441)	16	21,438
Other comprehensive income for the period	-	-	-	-	-	-
<b>Total comprehensive Income / (loss) for the period</b>	<u>16,049</u>	<u>4,139</u>	<u>2,675</u>	<u>(1,441)</u>	<u>16</u>	<u>21,438</u>

The annexed notes 1 to 17 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 SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2019**

	For the quarter ended December 31, 2019					
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
	(Rupees in '000)					
<b>Net income for the quarter after taxation</b>	111,760	30,870	26,945	17,017	8,156	194,748
Other comprehensive income for the quarter	-	-	-	-	-	-
<b>Total comprehensive income for the quarter</b>	<u>111,760</u>	<u>30,870</u>	<u>26,945</u>	<u>17,017</u>	<u>8,156</u>	<u>194,748</u>

	For the quarter ended December 31, 2018					For the period from December 17, 2018 to December 31, 2018
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
	(Rupees in '000)					
<b>Net income for the quarter after taxation</b>	10,227	1,839	2,256	(1,444)	17	12,895
Other comprehensive income for the quarter	-	-	-	-	-	-
<b>Total comprehensive income / (loss) for the quarter</b>	<u>10,227</u>	<u>1,839</u>	<u>2,256</u>	<u>(1,444)</u>	<u>17</u>	<u>12,895</u>

The annexed notes 1 to 17 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 AND QUARTER ENDED DECEMBER 31, 2019**

	Six months period ended			Six months period ended			Six months period ended			Six months period ended			Six months period ended					
	MCPPIV			MCPPIV			MCPPIV			MCPPIV			MCPPIV					
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)					
	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total			
<b>Net assets at the beginning of the period</b>	1,563,055	(10,007)	1,553,048	473,102	805	473,907	385,555	(1,529)	384,026	209,309	(1,897)	207,412	134,344	(3,620)	130,724	2,765,365	(16,248)	2,749,117
<b>Redemption of units:</b>																		
MCPPIV: 5,856,864 / MCPPIV: 3,888,064 /																		
MCPPIV: 2,195,718 MCPPIV: 1,087,264 /																		
MCPPIV: 829,743 units																		
- Capital value (at net asset value per unit at the beginning of the period)	293,554	-	293,554	194,846	-	194,846	109,695	-	109,695	54,406	-	54,406	40,656	-	40,656	693,157	-	693,157
- Element of income	-	3,035	3,035	-	5,180	5,180	-	1,419	1,419	-	1,577	1,577	-	378	378	-	11,589	11,589
<b>Total payments on redemption of units</b>	293,554	3,035	296,589	194,846	5,180	200,026	109,695	1,419	111,114	54,406	1,577	55,983	40,656	378	41,034	693,157	11,589	704,746
Total comprehensive income for the period	-	119,488	119,488	-	32,074	32,074	-	27,272	27,272	-	17,318	17,318	-	9,455	9,455	-	205,607	205,607
<b>Net income for the period less distribution</b>	-	119,488	119,488	-	32,074	32,074	-	27,272	27,272	-	17,318	17,318	-	9,455	9,455	-	205,607	205,607
<b>Net assets at the end of the period</b>	1,269,501	106,446	1,375,947	278,204	27,699	305,955	275,860	24,324	300,184	154,952	13,844	168,747	93,693	5,457	99,145	2,072,210	177,770	2,249,978
<b>(Accumulated loss) / income brought forward</b>																		
- Realised income / (loss)		26,661			13,730			10,331			4,551			(3,616)			51,657	
- Unrealised loss		(36,668)			(12,925)			(11,860)			(6,448)			(4)			(67,905)	
		(10,007)			805			(1,529)			(1,897)			(3,620)			(16,248)	
Accounting income available for distribution																		
- Relating to capital gains		73,529			18,511			16,081			11,318			5,175			124,614	
- Excluding capital gains		42,924			8,383			9,772			4,423			3,902			69,404	
		116,453			26,894			25,853			15,741			9,077			194,018	
Distribution during the period		-			-			-			-			-			-	
<b>Undistributed income carried forward</b>		106,446			27,699			24,324			13,844			5,457			177,770	
<b>Undistributed income carried forward</b>																		
- Realised income		45,485			12,988			10,048			4,668			53			73,242	
- Unrealised Income		60,961			14,711			14,276			9,176			5,404			104,528	
		106,446			27,699			24,324			13,844			5,457			177,770	
Net asset value per unit as at the beginning of the period			<u>Rupees 50.1213</u>			<u>Rupees 50.1139</u>			<u>Rupees 49.9586</u>			<u>Rupees 50.0391</u>			<u>Rupees 48.9980</u>			
Net asset value per unit as at the end of the period			<u>54.7556</u>			<u>54.9435</u>			<u>54.6668</u>			<u>55.1872</u>			<u>53.9359</u>			

The annexed notes 1 to 17 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**  
**STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2019**

	Six months period ended December			Six months period ended			For the period from July 10, 2018			For the period from September 26,			For the period from December 17,			Six months period ended December		
	MCPPIV			MCPPIV			MCPPIV			MCPPIV			MCPPIV			Total		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
	Capital Value	Accumulated loss	Total	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income	Total	Capital Value	Accumulated loss	Total	Capital Value	Undistributed income	Total	Capital Value	Accumulated loss	Total
<b>Net assets at the beginning of the period</b>	2,135,335	(19,965)	2,115,370	733,520	(152)	733,368	-	-	-	-	-	-	-	-	-	2,868,855	(20,117)	2,848,738
<b>Issuance of units:</b>																		
MCPPIV-V: 1,643,879 / MCPPIV-VI: 13,205,775 / MCPPIV-VII: 7,646,584 units MCPPIV-VIII: 465,913 units																		
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	82,243	-	82,243	660,289	-	660,289	382,329	-	382,329	23,296	-	23,296	1,148,157	-	1,148,157
- Element of (loss) / income	-	-	-	(417)	-	(417)	3,028	-	3,028	4,471	-	4,471	9	-	9	7,091	-	7,091
Total proceeds on issuance of units	-	-	-	81,826	-	81,826	663,317	-	663,317	386,800	-	386,800	23,305	-	23,305	1,155,248	-	1,155,248
<b>Redemption of units:</b>																		
MCPPIV-IV: 4,197,829 / MCPPIV-V: 3,220,426 / MCPPIV-VI: 1,430,794 MCPPIV-VII: 7,80,277 units																		
- Capital value (at net asset value per unit at the beginning of the period)	209,050	-	209,050	161,117	-	161,117	71,540	-	71,540	39,014	-	39,014	-	-	-	480,721	-	480,721
- Element of loss	(8)	1,188	1,180	(207)	838	631	291	436	72,267	474	-	474	-	-	-	550	2,462	3,012
Total payments on redemption of units	209,042	1,188	210,230	160,910	838	161,748	71,831	436	72,267	39,488	-	39,488	-	-	-	481,271	2,462	483,733
Total comprehensive income / (loss) for the period		16,046	16,046		4,139	4,139		2,674	2,674		(1,442)	(1,442)		17	17		21,434	21,434
Distribution during the period		-	-		-	-		-	-		-	-		-	-		-	-
Net income / (loss) for the period less distribution		16,046	16,046		4,139	4,139		2,674	2,674		(1,442)	(1,442)		17	17		21,434	21,434
<b>Net assets at the end of the period</b>	<u>1,926,293</u>	<u>(5,107)</u>	<u>1,921,186</u>	<u>654,436</u>	<u>3,149</u>	<u>657,585</u>	<u>591,486</u>	<u>2,238</u>	<u>593,724</u>	<u>347,312</u>	<u>(1,442)</u>	<u>345,870</u>	<u>23,305</u>	<u>17</u>	<u>23,322</u>	<u>3,542,832</u>	<u>(1,145)</u>	<u>3,541,687</u>
<b>Accumulated loss brought forward</b>																		
- Realised loss		(24,191)			(857)			-			-			-			(25,048)	
- Unrealised income		4,226			705			-			-			-			4,931	
		(19,965)			(152)			-			-			-			(20,117)	
Accounting income available for distribution																		
- Relating to capital gains		5,592			3,898			3,245			-			13			12,748	
- Excluding capital gains		9,266			(597)			(1,007)			-			4			7,666	
		14,858			3,301			2,238			-			17			20,414	
Net loss for the period after taxation		-			-			-			(1,442)			-			(1,442)	
Distribution during the period		-			-			-			-			-			-	
<b>(Accumulated loss) / undistributed income carried forward</b>		<u>(5,107)</u>			<u>3,149</u>			<u>2,238</u>			<u>(1,442)</u>			<u>17</u>			<u>(1,145)</u>	
<b>(Accumulated loss) / undistributed income carried forward</b>																		
- Realised (loss) / income		(25,117)			(5,612)			(889)			874			4			(30,740)	
- Unrealised income / (loss)		20,010			8,761			3,127			(2,316)			13			29,595	
		<u>(5,107)</u>			<u>3,149</u>			<u>2,238</u>			<u>(1,442)</u>			<u>17</u>			<u>(1,145)</u>	
		<u>Rupees</u>			<u>Rupees</u>			<u>Rupees</u>			<u>Rupees</u>			<u>Rupees</u>			<u>Rupees</u>	
Net asset value per unit as at the beginning of the period		<u>49.7996</u>			<u>50.0298</u>			<u>-</u>			<u>-</u>			<u>-</u>			<u>-</u>	
Net asset value per unit as at the end of the period		<u>50.1880</u>			<u>50.2661</u>			<u>50.4225</u>			<u>50.3721</u>			<u>50.0567</u>			<u>50.0567</u>	

The annexed notes 1 to 17 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 PERIOD ENDED DECEMBER 31, 2019**



	Six months period ended December 31, 2019					
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
	(Rupees in '000)					
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income for the period before taxation	119,488	32,074	27,272	17,318	9,455	205,607
<b>Adjustments for:</b>						
Net unrealised appreciation on re-measurement of investments 'at fair value through profit or loss'	(60,961)	(14,711)	(14,276)	(9,176)	(5,404)	(104,528)
	58,527	17,363	12,996	8,142	4,051	101,079
<b>Decrease in assets</b>						
Investments - net	251,078	183,006	97,829	44,939	38,404	615,256
Receivable against sale of investments	(280)	(1,610)	(110)	-	-	(2,000)
Advances, deposits and other receivables	(252)	(137)	(78)	(36)	(58)	(561)
	250,546	181,259	97,641	44,903	38,346	612,695
<b>Increase in liabilities</b>						
Payable to AI Meezan Investment Management Limited - Management Company	(15)	(14)	(16)	(2)	(1)	(48)
Payable to Central Depository Company of Pakistan Limited - Trustee	(30)	(16)	(16)	(5)	(3)	(70)
Payable to Securities and Exchange Commission of Pakistan	(1,660)	(586)	(433)	(157)	(45)	(2,881)
Payable against purchase of investments	991	225	215	113	60	1,604
Accrued expenses and other liabilities	2,525	1,498	807	438	203	5,471
	1,811	1,107	557	387	214	4,076
<b>Net cash generated from operating activities</b>	310,884	199,729	111,194	53,432	42,611	717,850
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Payments against redemption and conversion of units	(310,157)	(198,322)	(110,941)	(55,983)	(40,933)	(716,336)
<b>Net cash used in financing activities</b>	(310,157)	(198,322)	(110,941)	(55,983)	(40,933)	(716,336)
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	727	1,407	253	(2,551)	1,678	1,514
Cash and cash equivalents at the beginning of the period	1,876	908	1,845	2,960	2,286	9,875
<b>Cash and cash equivalents at the end of the period</b>	2,603	2,315	2,098	409	3,964	11,389

The annexed notes 1 to 17 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 CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2019**

	Six months period ended December 31, 2018	For the period from July 10, 2018 to December 31, 2018	For the period from September 26, 2018 to December 31, 2018	For the period from December 17, 2018 to December 31, 2018	Total	
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	
(Rupees in '000)						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income / (loss) for the period before taxation	16,046	4,139	2,674	(1,442)	17	21,434
<b>Adjustments for:</b>						
Net unrealised diminution / (appreciation) on re-measurement of investments 'at fair value through profit or loss'	(20,010)	(8,761)	(3,127)	2,316	(13)	(29,595)
	(3,964)	(4,622)	(453)	874	4	(8,161)
<b>Decrease / (increase) in assets</b>						
Investments - net	223,499	(39,037)	(590,039)	(361,136)	(11,000)	(777,713)
Receivable against sale of investments - net	(3,126)	-	-	-	-	(3,126)
Advances, deposits and other receivables	(23)	136	(6)	(69)	(8)	30
	220,350	(38,901)	(590,045)	(361,205)	(11,008)	(780,809)
<b>(Decrease) / increase in liabilities</b>						
Payable to AI Meezan Investment Management Limited - Management Company	(5)	(9,197)	54	54	627	(8,467)
Payable to Central Depository Company of Pakistan Limited - Trustee	(13)	13	47	27	-	74
Payable to Meezan Bank Limited	-	(5,913)	-	1,833	-	(4,080)
Payable to Securities and Exchange Commission of Pakistan	507	299	211	47	-	1,064
Payable against purchase of investments - net	2,601	-	-	-	8,000	10,601
Accrued expenses and other liabilities	(6,812)	(971)	103	338	10	(7,332)
	(3,722)	(15,769)	415	2,299	8,637	(8,140)
<b>Net cash generated from / (used in) operating activities</b>	212,664	(59,292)	(590,083)	(358,032)	(2,367)	(797,110)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Receipts against issuance and conversion of units	-	84,610	663,317	386,800	23,304	1,158,031
Payments against redemption and conversion of units	(207,192)	(161,748)	(71,202)	(26,191)	-	(466,333)
Dividend paid	-	-	-	-	-	-
<b>Net cash (used in) / generated from financing activities</b>	(207,192)	(77,138)	592,115	360,609	23,304	691,698
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	5,472	(136,430)	2,032	2,577	20,937	(105,412)
Cash and cash equivalents at the beginning of the period	1,743	139,238	-	-	-	140,981
<b>Cash and cash equivalents at the end of the period</b>	7,215	2,808	2,032	2,577	20,937	35,569

The annexed notes 1 to 17 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**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019**

**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 (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on January 15, 2018 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.
- 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 the Commission 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** 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 Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. 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 SECP.

Meezan Capital Preservation Plan-IV (M CPP-IV)	<b>Low risk - High return through asset allocation</b> 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 is two and a half years from the close of the subscription period. Units shall be subject to front end load.
Meezan Capital Preservation Plan-V (M CPP-V)	<b>Low risk - High return through asset allocation</b> 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. Units shall be subject to front end load.
Meezan Capital Preservation Plan-VI (M CPP-VI)	<b>Low risk - High return through asset allocation</b> 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 is two and a half years from the close of the subscription period. Units shall be subject to front end load.
Meezan Capital Preservation Plan-VII (M CPP-VII)	<b>Low risk - High return through asset allocation</b> 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. Units shall be subject to front end load.
Meezan Capital Preservation Plan-VIII (M CPP-VIII)	<b>Low risk - High return through asset allocation</b> 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 is two and a half years from the close of the subscription period. Units shall be subject to front end load.

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. 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 have, however, been 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, 2019.

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, 2019.

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

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, 2019.

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, 2019. 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, 2019.

**Standards 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, 2019. 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.

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

The following amendments would be effective from the dates mentioned below against the respective amendment:

<b>Amendments</b>	<b>Effective date (accounting periods beginning on or after)</b>
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2020
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2020

These amendments may impact the financial statements of the Fund on adoption. The Management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

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, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

**5. BALANCES WITH BANKS**

	Note	<b>December 31, 2019 (Unaudited)</b>					
		<b>M CPP-IV</b>	<b>M CPP-V</b>	<b>M CPP-VI</b>	<b>M CPP-VII</b>	<b>M CPP-VIII</b>	<b>Total</b>
		----- (Rupees in '000) -----					
Saving accounts	5.1	2,593	2,305	2,098	409	3,964	11,369
Current accounts		10	10	-	-	-	20
		<u>2,603</u>	<u>2,315</u>	<u>2,098</u>	<u>409</u>	<u>3,964</u>	<u>11,389</u>
		<b>June 30, 2019 (Audited)</b>					
		<b>M CPP-IV</b>	<b>M CPP-V</b>	<b>M CPP-VI</b>	<b>M CPP-VII</b>	<b>M CPP-VIII</b>	<b>Total</b>
		----- (Rupees in '000) -----					
Saving accounts	5.1	1,866	908	1,845	2,960	2,286	9,865
Current accounts		10	-	-	-	-	10
		<u>1,876</u>	<u>908</u>	<u>1,845</u>	<u>2,960</u>	<u>2,286</u>	<u>9,875</u>

- 5.1 The balances in savings accounts have an expected profit which ranges from 7.22% to 11.50% (June 30, 2019 6.30% to 11.85%) per annum.

**6. INVESTMENTS**

	Note	<b>December 31, 2019 (Unaudited)</b>					
		<b>M CPP-IV</b>	<b>M CPP-V</b>	<b>M CPP-VI</b>	<b>M CPP-VII</b>	<b>M CPP-VIII</b>	
		----- (Rupees in '000) -----					
Investments - 'at fair value through profit or loss'	6.1	<u>1,378,524</u>	<u>305,814</u>	<u>299,270</u>	<u>168,948</u>	<u>95,551</u>	<u>2,248,107</u>
		<b>June 30, 2019 (Audited)</b>					
		<b>M CPP-IV</b>	<b>M CPP-V</b>	<b>M CPP-VI</b>	<b>M CPP-VII</b>	<b>M CPP-VIII</b>	<b>Total</b>
		----- (Rupees in '000) -----					
Investments - 'at fair value through profit or loss'		<u>1,568,641</u>	<u>474,109</u>	<u>382,823</u>	<u>204,711</u>	<u>128,551</u>	<u>2,758,835</u>

## 6.1 Investments - 'at fair value through profit or loss' - Units of mutual funds

Name of investee funds	As at July 1, 2019	Purchases during the period	Redemptions during the period	As at December 31, 2019	Carrying value as at December 31, 2019	Market value as at December 31, 2019	Unrealised appreciation as at December 31, 2019	Percentage in relation to	
								Market value on the basis of Net Assets of the Fund	Total market value of investments
				(Number of units)	(Rupees in '000)			(Percentage)	
<b>Meezan Capital Preservation Plan - IV</b>									
Meezan Dedicated Equity Fund	10,044,192	6,154,962	4,896,533	11,302,621	416,864	477,825	60,961	34.73	34.66
Meezan Cash Fund	-	25,330,703	25,330,703	-	-	-	-	-	-
Meezan Sovereign Fund	17,633,059	-	17,633,059	-	-	-	-	-	-
Meezan Rozana Amdani Fund	6,081,739	26,465,360	14,533,116	18,013,982	900,699	900,699	-	65.46	65.34
					<b>1,317,563</b>	<b>1,378,524</b>	<b>60,961</b>	<b>100.19</b>	<b>100</b>
<b>Meezan Capital Preservation Plan - V</b>									
Meezan Dedicated Equity Fund	3,081,261	924,174	1,564,049	2,441,387	88,500	103,211	14,711	33.73	33.75
Meezan Cash Fund	-	7,369,913	7,369,913	-	-	-	-	-	-
Meezan Sovereign Fund	5,140,343	-	5,140,343	-	-	-	-	-	-
Meezan Rozana Amdani Fund	2,000,572	7,424,174	5,372,680	4,052,066	202,603	202,603	-	66.22	66.25
					<b>291,103</b>	<b>305,814</b>	<b>14,711</b>	<b>99.95</b>	<b>100</b>
<b>Meezan Capital Preservation Plan - VI</b>									
Meezan Dedicated Equity Fund	2,745,310	746,443	1,041,621	2,450,132	89,305	103,581	14,276	34.51	34.61
Meezan Cash Fund	-	5,855,373	5,855,373	-	-	-	-	-	-
Meezan Sovereign Fund	4,162,470	-	4,162,470	-	-	-	-	-	-
Meezan Rozana Amdani Fund	1,420,406	6,172,672	3,679,302	3,913,777	195,689	195,689	-	65.19	65.39
					<b>284,994</b>	<b>299,270</b>	<b>14,276</b>	<b>99.70</b>	<b>100</b>
<b>Meezan Capital Preservation Plan - VII</b>									
Meezan Dedicated Equity Fund	1,477,397	562,311	481,731	1,557,977	56,688	65,864	9,176	39.03	38.98
Meezan Cash Fund	-	3,058,517	3,058,517	-	-	-	-	-	-
Meezan Sovereign Fund	2,218,732	-	2,218,732	-	-	-	-	-	-
Meezan Rozana Amdani Fund	760,217	3,099,097	1,797,639	2,061,675	103,084	103,084	-	61.09	61.02
					<b>159,772</b>	<b>168,948</b>	<b>9,176</b>	<b>100.12</b>	<b>100</b>
<b>Meezan Capital Preservation Plan - VIII</b>									
Meezan Dedicated Equity Fund	518,566	2,612,441	2,161,102	969,905	35,600	41,003	5,403	41.36	42.91
Meezan Cash Fund	-	4,124,642	4,124,642	-	-	-	-	-	-
Meezan Sovereign Fund	1,692,281	-	1,692,281	-	-	-	-	-	-
Meezan Rozana Amdani Fund	460,132	4,949,641	4,318,808	1,090,965	54,548	54,548	-	55.02	57.09
					<b>90,148</b>	<b>95,551</b>	<b>5,403</b>	<b>96.38</b>	<b>100</b>
<b>Total investments in units of mutual funds</b>									
Meezan Dedicated Equity Fund	17,866,726	11,000,331	10,145,036	18,722,021	686,957	791,484	104,527	35.18	35.21
Meezan Cash Fund	-	45,739,149	45,739,149	-	-	-	-	-	-
Meezan Sovereign Fund	30,846,884	-	30,846,884	-	-	-	-	-	-
Meezan Rozana Amdani Fund	10,723,066	48,110,943	29,701,544	29,132,465	1,456,623	1,456,623	-	64.74	64.79
					<b>2,143,580</b>	<b>2,248,107</b>	<b>104,527</b>	<b>99.92</b>	<b>100</b>

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

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the Trustee has revised its remuneration as under:

Net Assets (Rs.)	Previous Tariff	Revised Tariff
Upto 1 billion	0.10% of Net Assets	0.070% per annum of Net Assets
Above 1 billion	Rs. 1 million plus 0.075% P.a of Net Assets exceeding Rs. 1 billion	

Accordingly, the Fund has charged Trustee Fee at the rate of 0.07% per annum during the current period.

## 8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to fund of funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

## 9. CONTINGENCIES AND COMMITMENTS

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

## 10. ACCRUED EXPENSES AND OTHER LIABILITIES

As at December 31, 2019 (Unaudited)							
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total	
	(Rupees in '000)						
Auditors' remuneration payable	106	29	25	14	8	182	
Withholding tax payable	15	-	-	-	-	15	
Shariah advisory fee payable	95	22	18	10	6	151	
Printing charges payable	213	8	7	1	1	230	
Provision for Sindh Workers' Welfare Fund	10.1	2,748	715	556	353	193	4,565
Capital gain tax payable	91	855	109	83	4	1,142	
Other payable	-	-	-	-	-	-	
Zakat payable	2	22	157	-	11	192	
	<u>3,270</u>	<u>1,651</u>	<u>872</u>	<u>461</u>	<u>223</u>	<u>6,477</u>	

As at June 30, 2019 (Audited)							
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total	
	(Rupees in '000)						
Auditors' remuneration payable	115	40	29	12	4	200	
Withholding tax payable	15	-	-	-	-	15	
Shariah advisory fee payable	88	24	22	11	5	150	
Printing charges payable	213	9	7	-	1	230	
Provision for Sindh Workers' Welfare Fund	10.1	310	60	-	-	-	370
Capital gain tax payable	2	5	1	-	-	8	
Other payable	-	-	-	-	10	10	
Zakat payable	2	15	6	-	-	23	
	<u>745</u>	<u>153</u>	<u>65</u>	<u>23</u>	<u>20</u>	<u>1,006</u>	

- 10.1** 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, was 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 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 the 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 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 SWWF Act, 2014 (i.e. starting from May 21, 2015). The Fund has made provision in respect of SWWF starting from March 6, 2018 (i.e. the date of commencement of operations of the Fund).

Had the provision for SWWF not been recorded in the condensed interim financial statements, the NAV per unit would have been higher by Re 0.11, Re 0.13, Re 0.10, Re 0.12 and 0.10 in MCPPIV, MCPPIV, MCPPIV, MCPPIV and MCPPIV (June 30, 2019: Re. 0.010 and Re. 0.006 per unit for MCPPIV and MCPPIV) respectively.

## 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 unitholders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons / related parties are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

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



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

Balances	As at December 31, 2019 (Unaudited)					
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
<b>AI Meezan Investment Management Limited - Management Company</b>						
Remuneration payable (Rs in '000)	4	1	3	4	14	26
Sindh Sales Tax on management fee (Rs in '000)	1	-	-	-	2	3
Allocated expenses (Rs in '000)	117	29	26	14	8	194
<b>Meezan Bank Limited</b>						
Bank balance (Rs in '000)	2,593	2,305	2,098	409	3,964	11,369
Profit receivable (Rs in '000)	17	57	27	8	39	148
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee payable (Rs. in '000)	82	21	18	11	6	138
Sindh Sales Tax on trustee fee payable (Rs. in '000)	11	3	2	1	1	18
<b>Directors and Executives of the Management Company</b>						
Investment (Rs in '000)	5,463	-	-	-	-	5,463
Investment (Units)	99,772	-	-	-	-	99,772
<b>Meezan Dedicated Equity Fund</b>						
Investment (Rs in '000)	477,825	103,211	103,581	65,864	41,003	791,484
Investment (Units)	11,302,621	2,441,387	2,450,132	1,557,977	969,905	18,722,021
<b>Meezan Rozana Amdani Fund</b>						
Investment (Rs in '000)	900,699	202,603	195,689	103,084	54,548	1,456,623
Investment (Units)	18,013,982	4,052,066	3,913,777	2,061,675	1,090,965	29,132,465
<b>Unitholders holding 10% or more units of the Fund</b>						
Investment (Rs in '000)	179,095	-	-	54,476	-	233,572
Investment (Units)	3,270,818	-	-	987,119	-	4,257,936
Balances	As at June 30, 2019 (Audited)					
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
<b>AI Meezan Investment Management Limited - Management Company</b>						
Remuneration payable (Rs in '000)	5	1	5	3	12	26
Sindh Sales Tax on management fee (Rs in '000)	1	-	1	-	2	4
Allocated expenses (Rs in '000)	131	43	39	17	11	241
<b>Meezan Bank Limited</b>						
Bank balance (Rs in '000)	1876	908	1,845	2,960	2,286	9,875
Profit receivable (Rs in '000)	52	5	21	12	7	97
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee payable (Rs in '000)	109	36	32	15	9	201
Sindh Sales Tax on trustee fee payable (Rs in '000)	14	4	4	2	1	25
<b>Directors and Executives of the Management Company</b>						
Investment (Rs in '000)	5,001	-	-	-	-	5,001
Investment (Units)	99,772	-	-	-	-	99,772
<b>Meezan Dedicated Equity Fund</b>						
Investment (Rs in '000)	356,705	109,427	97,496	52,468	18,416	634,512
Investment (Units)	10,044,192	3,081,261	2,745,310	1,477,397	518,566	17,866,726
<b>Meezan Sovereign Fund</b>						
Investment (Rs in '000)	907,849	264,653	214,307	114,233	87,128	1,588,170
Investment (Units)	17,633,059	5,140,343	4,162,470	2,218,732	1,692,281	30,846,884

**Balances**

As at June 30, 2019 (Audited)

	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
<b>Meezan Rozana Amdani Fund</b>						
Investment (Rs in '000)	304,087	100,029	71,020	38,010	23,007	536,153
Investment (Units)	6,081,739	2,000,572	1,420,406	760,217	460,132	10,723,066

**Unitholders holding 10% or more units of the Fund**

Investment (Rs in '000)	163,938	-	-	29,598	-	193,536
Investment (Units)	3,270,818	-	-	591,506	-	3,862,324

For the six month period ended December 31, 2019 (Unaudited)

	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
------(Unaudited)-----						

**AI Meezan Investment Management Limited - Management Company**

Remuneration for the period (Rs in '000)	11	6	10	9	18	54
Sindh Sales Tax on management fee (Rs in '000)	1	1	1	1	2	6
Allocated expenses (Rs in '000)	701	195	165	92	54	1,207

**Meezan Bank Limited**

Profit on saving account (Rs in '000)	209	103	95	60	177	644
---------------------------------------	-----	-----	----	----	-----	-----

**Central Depository Company of Pakistan Limited - Trustee**

Trustee fee (Rs in '000)	491	137	115	65	38	846
Sindh Sales Tax on trustee fee (Rs in '000)	64	18	15	8	5	110

**Meezan Dedicated Equity Fund**

Invested during the period (Rs. in '000)	235,000	-	-	-	43,000	278,000
Invested during the period (Units)	6,154,962	924,174	746,443	562,311	2,612,441	11,000,331
Redeemed during the period (Rs. in '000)	172,090	24,510	22,060	6,830	59,579	285,069
Redeemed during the period (Units)	4,896,533	1,564,049	1,041,621	481,731	2,161,102	10,145,036

**Meezan Cash Fund**

Invested during the period (Rs. in '000)	1,281,552	372,855	296,207	154,708	209,083	2,314,406
Invested during the period (Units)	25,330,703	7,369,913	5,855,373	3,058,517	4,124,642	45,739,149
Redeemed during the period (Rs. in '000)	1,295,575	375,734	298,558	155,937	209,717	2,335,520
Redeemed during the period (Units)	25,330,703	7,369,913	5,855,373	3,058,517	4,124,642	45,739,149

**Meezan Sovereign Fund**

Invested during the period (Rs. in '000)	-	-	-	-	-	-
Invested during the period (Units)	-	-	-	-	-	-
Redeemed during the period (Rs. in '000)	909,145	265,031	214,613	114,396	87,252	1,590,438
Redeemed during the period (Units)	17,633,059	5,140,343	4,162,470	2,218,732	1,692,281	30,846,884

**Meezan Rozana Amdani Fund**

Invested during the period (Rs. in '000)	1,323,268	371,209	308,634	154,955	247,482	2,405,547
Invested during the period (Units)	26,465,360	7,424,174	6,172,672	3,099,097	4,949,641	48,110,943
Redeemed during the period (Rs. in '000)	726,656	268,634	183,965	89,882	215,940	1,485,077
Redeemed during the period (Units)	14,533,116	5,372,680	3,679,302	1,797,639	4,318,808	29,701,544
Dividend received during the period (Rs. in '000)	49,932	14,607	12,075	6,530	4,448	87,592
Dividend received during the period (Units)	998,649	292,150	241,504	130,598	88,956	1,751,857

For the Period ended December 31, 2018	For the period from July 10, 2018 to December 31, 2018	For the period from September 26, 2018 to December 31, 2018	For the period from December 17, 2018 to December 31, 2018	Total	
M CPP - IV	M CPP - V	M CPP - VI	M CPP - VII	M CPP - VIII	Total
------(Unaudited)-----					

**AI Meezan Investment Management Limited - Management Company**

Remuneration for the quarter / period	58	65	126	60	3	312
Sindh Sales Tax on management fee	8	9	16	8	-	41
Allocated expenses	1,021	368	222	50	-	1,661

	For the Period ended December 31, 2018		For the period from July 10, 2018 to December 31, 2018	For the period from September 26, 2018 to December 31, 2018	For the period from December 17, 2018 to December 31, 2018	Total
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	MCPP - VIII	
------(Unaudited)-----						
<b>Meezan Bank Limited</b>						
Profit on saving account	190	186	329	223	9	937
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee fee (Rs in '000)	844	304	183	41	-	1,372
Sindh Sales Tax on trustee fee (Rs in '000)	110	40	24	5	-	179
<b>Meezan Dedicated Equity Fund</b>						
Invested during the period / quarter (Rs. in '000)	790,800	245,600	184,000	98,000	-	1,318,400
Invested during the period / quarter (Units)	16,971,845	5,325,304	3,942,601	2,187,362	-	28,427,112
Redeemed during the period / quarter (Rs. in '000)	892,312	251,518	92,284	15,092	-	1,251,206
Redeemed during the period / quarter (Units)	19,214,570	5,481,406	1,983,046	318,471	-	26,997,493
<b>Meezan Cash Fund</b>						
Invested during the quarter / period (Rs. in '000)	929,605	441,001	727,000	393,500	11,000	2,502,106
Invested during the quarter / period (Units)	18,231,673	8,681,998	14,282,003	7,633,163	211,552	49,040,390
Redeemed during the quarter / period (Rs. in '000)	977,640	371,770	228,796	116,160	-	1,694,366
Redeemed during the quarter / period (Units)	19,110,914	7,275,649	4,470,669	2,250,089	-	33,107,321
Dividend Received during the quarter / period (Rs. in '000)	13,834	1,360	-	-	-	15,194
Dividend Received during the quarter / period (Units)	274,308	26,959	-	-	-	301,267
Refund of Capital during the quarter / period (Rs. in '000)	59,534	19,413	-	-	-	78,947
Refund of Capital during the quarter / period (Units)	1,180,484	384,939	-	-	-	1,565,423

## 12. ALLOCATED EXPENSES

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

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund.

## 13. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended December 31, 2019 are;

	As at December 31, 2019				
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII
Total Expense ratio (including government levies)	0.60%	0.59%	0.60%	0.64%	0.64%
Government levies, Sindh Workers' Fund and SECP Fee	0.38%	0.37%	0.37%	0.41%	0.39%
	As at June 30, 2019				
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII
Total Expense ratio (including government levies)	0.33%	0.33%	0.33%	0.27%	0.24%
Government levies	0.12%	0.12%	0.11%	0.08%	0.06%

This 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.

#### 14. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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 Non-Banking Finance Companies and Notified Entities Regulations, 2008, 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 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, 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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 introduced in Finance Act, 2015 is also not applicable on funds (Section 4B of Income Tax Ordinance, 2001).

#### 15. 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 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, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

ASSETS	As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial assets 'at fair value through profit or loss'</b>	(Rupees in '000)			
Units of mutual funds	-	2,248,107	-	2,248,107
<b>ASSETS</b>	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial assets 'at fair value through profit or loss'</b>	(Rupees in '000)			
Units of mutual funds	-	2,758,835	-	2,758,835

#### 16. GENERAL

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

16.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these

#### 17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 10-Feb-2020 by the Board of Directors of the Management Company.

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

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

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

\_\_\_\_\_  
Director



# THE CITY OF ANCIENT HISTORY AND RICH CULTURE



## Meezan

Strategic Allocation Fund-III

## 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.

**IQBAL MANZIL  
(SIALKOT)**

## 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](http://www.almeezangroup.com)  
E-mail: [info@almeezangroup.com](mailto:info@almeezangroup.com)

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

### RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	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  
Dubai Islamic Bank  
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:

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: [www.meezanbank.com](http://www.meezanbank.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) 34326021 - 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, 2019 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 25, 2020





**AUDITOR'S 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, 2019 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, 2019. 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, 2019 and December 31, 2018 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2019.

**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.

  
Chartered Accountants

Engagement Partner: Salman Hussain

Dated: February 26, 2020

Karachi

**MEEZAN STRATEGIC ALLOCATION FUND - III  
STATEMENT OF ASSETS AND LIABILITIES  
AS AT DECEMBER 31, 2019**



	Note	December 31, 2019 (Unaudited) MCPPI-IX ----- (Rupees in '000) -----	June 30, 2019 (Audited)
<b>Assets</b>			
Balances with banks	5	1,177	15,908
Investments	6	97,824	18,944
Profit accrued on balances with banks		19	26
Receivable against investments		12,740	-
Deposits and prepayments		84	-
<b>Total assets</b>		<b>111,844</b>	<b>34,878</b>
<b>Liabilities</b>			
Payable to AI Meezan Investment Management Limited - Management Company		9	866
Payable to Central Depository Company of Pakistan Limited - Trustee	12	7	1
Payable to Securities and Exchange Commission of Pakistan	7	9	1
Payable against investments		12,063	-
Payable against redemption and conversions		740	-
Accrued expenses and other liabilities	9	430	80
<b>Total liabilities</b>		<b>13,258</b>	<b>948</b>
<b>Net assets</b>		<b>98,586</b>	<b>33,930</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>98,586</b>	<b>33,930</b>
<b>Contingencies and commitments</b>	8		
		----- (Number of units) -----	
<b>Number of units in issue</b>		<b>1,839,059</b>	<b>703,396</b>
		----- (Rupees) -----	
<b>Net asset value per unit</b>		<b>53.6070</b>	<b>48.2374</b>

The annexed notes 1 to 17 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 AND QUARTER ENDED DECEMBER 31, 2019**

Note	For the six months period ended December 31, 2019	For the quarter ended December 31, 2019
	M CPP-IX	M CPP-IX
----- (Rupees in '000) -----		
<b>Income</b>		
	1,623	2,796
	201	103
	3,810	1,951
	<u>5,634</u>	<u>4,850</u>
	4,919	4,919
	<u>10,553</u>	<u>9,769</u>
<b>Total income</b>		
<b>Expenses</b>		
	23	4
	3	1
11	46	25
	33	17
12	4	2
	9	5
7	59	44
	6	6
	149	81
	204	191
	<u>536</u>	<u>376</u>
	<u>10,017</u>	<u>9,393</u>
<b>Net income for the period before taxation</b>		
14	-	-
	<u>10,017</u>	<u>9,393</u>
<b>Net income for the period after taxation</b>		
<b>Allocation of net income for the period</b>		
	10,017	
	(411)	
	<u>9,606</u>	
<b>Accounting income available for distribution</b>		
	6,542	
	3,064	
	<u>9,606</u>	

The annexed notes 1 to 17 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 AND QUARTER ENDED DECEMBER 31, 2019**

	<b>For the six months period ended December 31, 2019</b>	<b>For the quarter ended December 31, 2019</b>
	<b>MCPPI-IX</b>	<b>MCPPI-IX</b>
	<b>----- (Rupees in '000) -----</b>	
<b>Net income for the period after taxation</b>	10,017	9,393
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<u>10,017</u>	<u>9,393</u>

The annexed notes 1 to 17 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 MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED DECEMBER 31, 2019**

For the six months period ended December 31, 2019			
MCP-IX			
Capital Value	(Accumulated loss) / Undistributed income	Total	
----- (Rupees in '000) -----			
<b>Net assets at the beginning of the period</b>	34,246	(316)	33,930
<b>Issuance of units:</b>			
Issuance of 1,816,116 units			
- Capital value (at net asset value per unit at the beginning of the period)	87,605	-	87,605
- Element of income	279	-	279
Total proceeds on issuance of units	87,884	-	87,884
<b>Redemption of units:</b>			
Redemption of 680,453 units			
- Capital value (at net asset value per unit at the beginning of the period)	32,824	-	32,824
- Element of loss	10	411	421
Total payments on redemption of units	32,834	411	33,245
Total comprehensive income for the period	-	10,017	10,017
<b>Net assets at the end of the period</b>	<u>89,296</u>	<u>9,290</u>	<u>98,586</u>
<b>Accumulated loss brought forward</b>			
- Realised loss		(105)	
- Unrealised income		(211)	
		<u>(316)</u>	
Accounting income available for distribution			
- Relating to capital gains		6,542	
- Excluding capital gains		3,064	
		<u>9,606</u>	
<b>Undistributed income carried forward</b>			<u>9,290</u>
<b>Undistributed income carried forward</b>			
- Realised income		4,371	
- Unrealised income		4,919	
		<u>9,290</u>	
			<u>9,290</u>
Net asset value per unit as at the beginning of the period			<b>Rupees</b> <u>48.2374</u>
Net asset value per unit as at the end of the period			<u>53.6070</u>

The annexed notes 1 to 17 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 ENDED DECEMBER 31, 2019**



**For the six  
months  
period ended  
December 31,  
2019  
MCPPI-IX  
Rupees in '000**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net income for the period before taxation 10,017

**Adjustments for:**

Net unrealised appreciation on re-measurement of investments -  
'at fair value through profit or loss' (4,919)  
5,098

**Decrease in assets**

Investments - net (73,961)  
Profit accrued on balances with banks 7  
Receivable against investments (12,740)  
Deposits and prepayments (84)  
(86,778)

**Increase in liabilities**

Payable to AI Meezan Investment Management Limited - Management Company (857)  
Payable to Central Depository Company of Pakistan Limited - Trustee 6  
Payable to Securities and Exchange Commission of Pakistan 8  
Payable against investments 12,063  
Accrued expenses and other liabilities 350  
11,570

**Net cash used in operating activities** (70,110)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Receipts against issuance and conversion of units 87,884  
Payments against redemption and conversion of units (32,505)  
**Net cash generated from financing activities** 55,379

**Net decrease in cash and cash equivalents** (14,731)  
Cash and cash equivalents at the beginning of the period 15,908

**Cash and cash equivalents at the end of the period** 1,177

The annexed notes 1 to 17 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 ENDED DECEMBER 31, 2019**

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

- 1.1** Meezan Strategic Allocation Fund - III (the Fund) was established under a Trust Deed executed 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.
- 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 Commission 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** 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 Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. 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 (MCPP-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 the SECP.
- 1.7** A brief description of the plan is as follows:

Meezan Capital Preservation Plan-IX (MCPP-IX)	<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 up to 100 percent. The initial maturity of this plan is two and a half years from the close of the subscription period. Units shall be subject to front end load.</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 have, however, been 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, 2019.

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, 2019.

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

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, 2019.

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, 2019. 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, 2019.

#### 4.3 Standards 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, 2019. 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

The following amendments would be effective from the dates mentioned below against the respective amendment:



<b>Amendments</b>	<b>Effective date (accounting periods beginning on or after)</b>
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2020
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2020

These amendments may impact the financial statements of the Fund on adoption. The Management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

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, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

	<b>Note</b>	<b>December 31, 2019 (Unaudited)</b>	<b>June 30, 2019 (Audited)</b>
<b>MCCP-IX</b>			
<b>----(Rupees in '000)----</b>			
<b>5. BALANCES WITH BANKS</b>			
Saving accounts	5.1	1,177	15,908

5.1 The balances in savings accounts have an expected profit which ranges from 7.22% to 13.25% per annum. (June 30, 2019: 6.30% to 11.85% per annum).

	<b>Note</b>	<b>December 31, 2019 (Unaudited)</b>	<b>June 30, 2019 (Audited)</b>
<b>MCCP-IX</b>			
<b>----(Rupees in '000)----</b>			
<b>6. INVESTMENTS</b>			
Investments - 'at fair value through profit or loss' - units of mutual funds	6.1	97,824	18,944

**6.1 Investments - 'at fair value through profit or loss' - Units of mutual funds**

Name of investee funds	As at July 01, 2019	Purchases during the period	Sales during the period	As at December 31, 2019	Carrying value as at December 31, 2019	Market value as at December 31, 2019	Unrealised gain as at December 31, 2019	Percentage in relation to				
								Total market value of investments	Market value on the basis of net assets of the Fund			
							(Number of units)		(Rupees in '000)		(Percentage)	
<b>Meezan Capital Preservation Plan - IX</b>												
Meezan Dedicated Equity Fund	153,424	2,985,403	2,156,804	982,023	36,597	41,516	4,919	42.00%	42.11%			
Meezan Cash Fund	64,627	1,474,895	1,539,522	-	-	-	-	-	-			
Meezan Sovereign Fund	198,820	232,743	431,562	-	-	-	-	-	-			
Meezan Rozana Amdani Fund	-	4,138,449	3,012,279	1,126,170	56,308	56,308	-	58.00%	57.12%			
					<b>92,905</b>	<b>97,824</b>	<b>4,919</b>	<b>100%</b>	<b>99%</b>			

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

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to fund of funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

**8. CONTINGENCIES AND COMMITMENTS**

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

	December 31, 2019 (Unaudited)	June 30, 2019 (Audited)
<b>MCPP-IX</b>		
-----(Rupees in '000)----		
<b>9. ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditors' remuneration payable	52	50
Shariah advisory fee payable	148	30
Capital gain tax payable	26	-
Provision for Sindh Workers' Welfare Fund	204	-
	<u>430</u>	<u>80</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, was 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 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 the 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 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 SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the SWWF not been recorded the NAV per unit of the plan (MCPP IX) would have been higher by Re.0.11.

## 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 are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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, 2019 (Unaudited)	June 30, 2019 (Audited)
<b>MCPP IX</b>		
-----(Rupees in '000)----		
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable (Rs in '000)	1	4
Sindh Sales Tax on management fee (Rs in '000)	-	1
Allocated expenses (Rs in '000)	8	1
Sales load payable (Rs in '000)	-	761
Sindh Sales Tax on sales load payable (Rs in '000)	-	99
Investment (Rs in '000)	76,248	-
Investment (Units)	1,422,356	-
<b>Meezan Bank Limited</b>		
Bank balance (Rs in '000)	1,157	15,898
Profit receivable (Rs in '000)	19	26

	December 31, 2019 (Unaudited)	June 30, 2019 (Audited)
<b>MCPPIX</b>		
-----(Rupees in '000)----		
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee payable (Rs. in '000)	6	1
Sindh Sales Tax on trustee fee payable (Rs. in '000)	1	-
<b>Meezan Dedicated Equity Fund</b>		
Investment (Rs in '000)	41,516	5,449
Investment (Units)	982,023	153,424
<b>Meezan Cash Fund</b>		
Investment (Rs in '000)	-	3,259
Investment (Units)	-	64,627
<b>Meezan Sovereign Fund</b>		
Investment (Rs in '000)	-	10,236
Investment (Units)	-	198,820
<b>Meezan Rozana Amdani Fund</b>		
Investment (Rs in '000)	56,308	-
Investment (Units)	1,126,170	-
<b>Unitholders holding 10% or more units of the Fund</b>		
Investment (Rs in '000)	-	4,802
Investment (Units)	-	99,555
		<b>For the six months period ended December 31, 2019 (Unaudited) MCPPIX (Rupees in '000)</b>
<b>AI Meezan Investment Management Limited - Management Company</b>		
Remuneration for the period (Rs in '000)		23
Sindh Sales Tax on management fee (Rs in '000)		3
Allocated expenses (Rs in '000)		46
Invested during the period (Rs in '000)		68,876
Invested during the period (Units)		1,422,356
<b>Meezan Bank Limited</b>		
Profit on saving account (Rs in '000)		201
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee for the period (Rs in '000)		33
Sindh Sales Tax on trustee fee (Rs in '000)		4
<b>Meezan Dedicated Equity Fund</b>		
Invested during the period (Rs in '000)		104,000
Invested during the period (Units)		2,985,403
Redeemed during the period (Rs in '000)		74,250
Redeemed during the period (Units)		2,156,804
<b>Meezan Cash Fund</b>		
Invested during the period (Rs in '000)		74,789
Invested during the period (Units)		1,474,895
Redeemed during the period (Rs in '000)		78,255
Redeemed during the period (Units)		1,539,522

**For the six  
months  
period ended  
December 31,  
2019  
(Unaudited)**

**MCPPI IX  
(Rupees in '000)**

**Meezan Sovereign Fund**

Invested during the period (Rs in '000)	12,000
Invested during the period (Units)	232,743
Redeemed during the period (Rs in '000)	22,255
Redeemed during the period (Units)	431,562

**Meezan Rozana Amdani Fund**

Invested during the period (Rs in '000)	206,922
Invested during the period (Units)	4,138,449
Redeemed during the period (Rs in '000)	150,614
Redeemed during the period (Units)	3,012,279
Dividend received during the period (Units)	76,208
Dividend received during the period (Rs. In '000')	3,810

**11. ALLOCATED EXPENSES**

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

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The management company based on its own discretion has currently fixed a maximum capping of 0.1 percent of the average annual net assets of the scheme for allocation of such expenses to the Fund.

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

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the Trustee has revised its remuneration as under:

Previous Tariff		Revised Tariff (Flat Rate)
Net Assets (Rs.)	Fee	
Upto Rs. 1 billion	0.1% per annum of net assets	0.07% per annum of Net Assets.
Above Rs. 1 billion	Rs 1 million plus 0.075% per annum of net assets exceeding Rs 1 billion.	

Accordingly, the Fund has charged Trustee Fee @ 0.07% per annum during the current period.

**13. TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund for the period ended December 31, 2019 is;

	<b>December 31, 2019 MCPPI IX (Rupees in '000)</b>
Total Expense ratio (including government levies)	1.18%
Government levies	0.48%

This 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.

#### 14. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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 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, 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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

#### 15. FAIR VALUE MEASUREMENT

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

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

Financial assets which are 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, 2019 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

ASSETS	As at December 31, 2019		
	Level 1	Level 2	Level 3
	----- Rupees in '000 -----		
<b>Financial assets 'at fair value through profit or loss'</b>			
Units of mutual funds	-	97,824	-

	As at June 30, 2019		
	Level 1	Level 2	Level 3
	----- Rupees in '000 -----		
<b>Financial assets 'at fair value through profit or loss'</b>			
Units of mutual funds	-	18,944	-

#### 16. GENERAL

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

#### 17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 10-Feb-2020 by the Board of Directors of the Management Company.

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

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

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

\_\_\_\_\_  
Director