



CELEBRATING
25
YEARS OF

INNOVATIVE INVESTMENT SOLUTIONS

QUARTERLY REPORT
SEPTEMBER-2020

- | | | | | | |
|--|----------------------------------|-------------------------------------|--------------------------------------|------------------------------|------------------------------|
| Meezan Islamic Fund | Al Meezan Mutual Fund | KSE-Meezan Index Fund | Meezan Energy Fund | Meezan Balanced Fund | Meezan Asset Allocation Fund |
| Meezan Dedicated Equity Fund | Meezan Gold Fund | Meezan Islamic Income Fund | Meezan Sovereign Fund | Meezan Cash Fund | Meezan Rozana Amdani Fund |
| Meezan Financial Planning Fund of Fund | Meezan Strategic Allocation Fund | Meezan Strategic Allocation Fund II | Meezan Strategic Allocation Fund III | Meezan Tahaffuz Pension Fund | |

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	MIF	AMMF	KMIF	MEF	MBF	MAAF	MDEF	MGF	MIIF	MSF	MCF	MRAF	MFPP	MSAF	MSAF-II	MSAF-III	MTPF
	29	45	58	74	88	105	120	135	148	167	180	195	210	232	255	274	286
	30	46	59	75	89	106	121	136	149	168	181	196	212	233	256	275	287
	31	47	60	76	90	107	122	137	150	169	182	197	214	235	258	276	288
	32	48	61	77	91	108	123	138	151	170	183	198	215	237	260	277	-
	33	49	62	78	92	109	124	139	152	171	184	199	216	238	261	278	-
	34	50	63	79	93	110	125	140	153	172	185	200	218	242	263	279	289
	35	51	64	80	94	111	126	141	154	173	186	201	220	244	265	280	293

WHO WE ARE

We began our journey in 1995. The objective of the journey was simple, to bring Shariah compliant investment options to the people of Pakistan. In over **25 years** since then, Al Meezan Investment Management Limited, due to the trust our customers hold in us, has now become the Largest Shariah compliant Asset Manager in Pakistan. With an innate culture of innovation and the purpose of making Shariah compliant investing every Pakistani's first investment avenue of choice, Al Meezan has achieved assets under management base of over Rs. 152 Billion (as on June 30, 2020).

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

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





Our Core Values are the 5 pillars of our foundation.

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

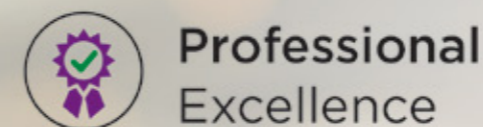
Our values are not about what we do or how we do it infact they are about who we are and why we exist. These values, which fuel our drive to achieve newer milestones at every step of our journey to success are:



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



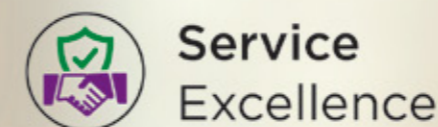
We practice high ethical standards at work and in our services. Maintaining high ethical standards in the workplace translates in prioritizing the interest of the client, acting with integrity, competence and diligence, and respecting our dealings with the public, clients, prospective clients and colleagues.



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



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



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

VISION

To make Shariah Compliant investing a first choice for investors.

MISSION

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



DIRECTORS' REPORT – FUNDS UNDER MANAGEMENT COMPANY

The Board of Directors of Al Meezan Investment Management Limited is pleased to present the financial statements of the following open end funds and a voluntary pension scheme for the period ended September 30, 2020.

Equity Funds

- Meezan Islamic Fund
- Al Meezan Mutual Fund
- KSE-Meezan Index Fund
- Meezan Dedicated Equity Fund

Sector Specific Fund

- Meezan Energy Fund

Income Funds

- Meezan Islamic Income Fund
- Meezan Sovereign Fund

Money Market Fund

- Meezan Cash Fund
- Meezan Rozana Amdani Fund

Balanced Fund

- Meezan Balanced Fund

Funds of Funds

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

Commodity Fund

- Meezan Gold Fund

Asset Allocation Fund

- Meezan Asset Allocation Fund (MAAF)

Pension Fund

- Meezan Tahaffuz Pension Fund

Economic Review

The outgoing fiscal year 2019-20 saw a negative GDP of 0.4%, multi-decade low, mainly due to outbreak of COVID-19 pandemic, which hampered the economic activity across the world due to strict lockdown conditions. In concert with other countries, Pakistan government took unprecedented measures on both the fiscal and monetary fronts, which has contained the economic fallout and enabled a quick recovery in the months following the lockdown. It announced a Rs. 1.2 trillion stimulus package to protect and support the industry. At the same time, the SBP drastically cut the policy rate, along with allowing the deferral of principal repayments by borrowers for one year and providing concessional financing for employee retention and capital financing purposes. While many countries are still grappling with the pandemic, in Pakistan the outbreak has been quelled from a peak of 6,825 new cases per day in June 2020 to about 600 by end of September, 2020. This has emboldened the government to reopen business activities in a phased manner. Thus the major economic indicators in Pakistan staged a quick recovery in IQFY21, thanks in part to the aforementioned stimulus measures, collapse in global commodity prices, and significant financial support from lenders and multilateral donor agencies.

Average national inflation for 1QFY21 was recorded at 8.84% YoY compared to 10.74% witnessed during FY20. The SBP projects average inflation to remain in the range of 7-9% during FY21. In light of core inflation remaining moderate, still prevalent uncertainty around Covid-19, and the government's aim to stimulate the economy, the SBP cut the policy rate by 625bps to 7% in a space of only four months. However, the outlook for inflation has become uncertain in light of the recent acceleration in domestic food prices, and expected rise in utility tariffs in the coming quarters. Nonetheless, it is still expected to stay below last year's average inflation. Development on the fiscal side has continued to gain traction on account of broad based taxation reforms and strict control over non-development expenditures. In FY20, FBR surpassed its revised tax collection target and tax collection increased by 4.3% YoY to Rs. 3,989 billion. For FY21 FBR has announced an ambitious target of Rs. 4,963 billion to contain the fiscal deficit at 7% of GDP. During 1QFY21, FBR has collected revenue of Rs. 1,004 billion surpassing the revenue target of Rs. 970 billion for the quarter.

The external account continued to improve substantially with a sizeable reduction in the Current Account Deficit (CAD) from USD 13.4 billion in FY19 to USD 3.0 billion in FY20, a decrease of 78% YoY. This reduction was attributable to a decrease in trade deficit, which in turn was the result of significant Pak rupee depreciation and monetary tightening of the past two years. Current account balance was a surplus of USD 805 million in first two months of FY21, attributable to 17% YoY reduction in trade & goods deficit, and a substantial 31% YoY rise in remittances. Thanks to the modest current account balance and external financial assistance, Pakistan has averted another balance-of-payment crisis in the wake of pandemic. This was also due to economic buffers amassed by the authorities prior to the pandemic, which allowed for a swift and efficacious response against the pandemic. During the quarter, international rating agency Moody's confirmed the Government of Pakistan's B3 local rating and foreign currency issuer and senior unsecured debt ratings for Pakistan, with a stable outlook. Similarly, Fitch Ratings also affirmed Pakistan's Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'B-' with a Stable outlook. The SBP foreign exchange reserves improve to USD 12.4 billion by the end of September 2020 (equivalent to three & half months of import cover), up 1.9% from USD 12.1 billion at the end of June 2020. The Exchange rate during 1QFY21 remained largely stable, however, during

September Pak Rupee appreciated against the US dollar, led by rising remittances, and closed at an exchange rate of Rs. 165.7/ USD, up 1.4% for the quarter.

Money Market Review

During the period under review, KIBOR rates witnessed an increase in the range of 6bps to 23bps, whereby 6-months and 12-months KIBOR rates were up by 6 bps and 23 bps, respectively; the rates clocking in at 7.30% and 7.58%. On the other hand, in the secondary market, PIB yields rose in the range of 76 bps to 106 bps, whereby 3-year bond yield closed at 8.29% (up by 76 bps), 5-year bond yield closed at 9.13% (up by 102 bps), and 10-year bond yield closed at 9.75% (up by 106 bps). An increasing trend was witnessed in the shorter tenor government paper yields as well, which were up in the range of 11 bps to 24 bps. On the liquidity front, the money market remained stable due to continuous OMO injections from SBP where the Central Bank ensured that the overnight money market remains close to the policy rate. During 1QFY21, SBP borrowed Rs. 1.82 trillion through T-Bills against the maturity of Rs. 2.49 trillion. On the other hand, SBP accepted Rs. 982.9 billion through long term PIBs (Fixed + Floater) against the maturity of Rs. 101 billion.

Description	Jun-20	Sep-20	Difference
KIBOR 3 Months	7.26%	7.25%	-1bps
KIBOR 6 Months	7.24%	7.30%	+6bps
KIBOR 12 Months	7.35%	7.58%	+23bps
T-Bill 3 Months	7.09%	7.10%	+1bps
T-Bill 6 Months	7.05%	7.16%	+11bps
T-Bill 12 Months	7.05%	7.29%	+24bps
PIB 3 Year	7.53%	8.29%	+76bps
PIB 5 Year	8.11%	9.13%	+102bps
PIB 10 Year	8.69%	9.75%	+106bps

During the period under review, the central bank also raised Rs. 162 billion through issuance of a series of floating & fixed rate Ijarah Sukuk. Issuance of these instruments provided much-needed relief to the Islamic money market participants and helped ease out the excess liquidity available in the market. Furthermore, the corporate sector continued to raise funds through Sukuk and Islamic Commercial Papers, which played a crucial role in absorbing some portion of excess liquidity available with Islamic institutions.

Equity Review

During the first quarter of FY21, the KMI-30 index closed with a handsome increase of 17.7% to 64,738 points while the KSE-100 index posted a similar rise of 17.9% to reach 40,571 points. The market started the fiscal year on a strong note, whereby the index rallied 14% during July, again increasing during August by 5%, but declined by 1% in September triggered by profit taking, after a steep rise. During the 1QFY21, KSE-100 peaked at 42,647 points (up 24% during the quarter) in early September, but reversed its trend later in the month. The impressive rally during 1QFY21 attributed in part to continuous macroeconomic improvement, rising liquidity and low interest rates, better than anticipated reduction in COVID-19 cases in Pakistan, while valuations of the overall market remained attractive-below the historical mean of forward P/E. Healthy recovery was witnessed as buying by local institutions and individuals helped the market despite foreign selling.

The market remained in positive territory during the quarter, as the magnanimous rate cuts since March-20 has significantly raised the allure of equities versus fixed income given the substantial difference between earnings yield and the yield on fixed income securities. Another positive development was the substantial reduction in infection rate of corona virus cases, which has resulted in active cases dropping to only 8,825 by the end of September 2020 end compared to 108,273 at June end. This was crucial for lifting the investor sentiment and optimism at the bourse. The SBP directed commercial banks to increase lending in construction sector and house financing up to 5% of private sector credit, while the Government inaugurated construction of Diamer Bhasha Dam. These measures will not only improve activity in construction sector but also have a trickledown effect for many sectors. On the other hand, the Supreme Court judgment over GIDC was in favor of the government with negative implication for various industries. IPPs remained in the limelight after many of them signed an MOU with government, which entailed reduction in guaranteed return in exchange for resolution of circular debt by the government in an agreed time frame. Also during the quarter, news of SPO of stakes in OGDC and PPL again came to the fore, with fresh process for financial advisors appointment likely to be initiated in the coming quarter.

Trading activity in the market improved significantly during the 1QFY21 period with the KMI-30 index stocks volume rising by 114% to 173 million shares compared to 4QFY20, volumes in the KSE-100 index stocks rose by 115% to 299 million shares. Macroeconomic outlook improved manifold during the quarter largely due to resumption of business activity (pent-up demand initially) with notable improvement was seen in the consumption of petroleum, cement and automobiles. FBR was also able to achieve its quarterly target. A marked improvement was witnessed in current account balance with the first two months of FY21 seeing a surplus of USD 0.8 billion. After aggressively cutting interest rates, the SBP adopted status quo in September monetary policy, keeping the policy rate unchanged at 7.0% and maintaining real interest rate in the negative territory. The priority of monetary policy has appropriately shifted towards supporting growth and employment during these challenging times. Local political noise, after quietness during most of the quarter, rose at the arrest of the Opposition Leader and concurrent formation of opposition alliance near the end of quarter, which negatively impacted the market.

Oil prices remained largely stable during the quarter with Brent crude oil trading in the range of USD 40-46/barrel. Overall oil prices remained at the upper end of the range during the first two months of the quarter but dropped in September on account of resurgence on COVID-19 cases in some major economies. Brent crude closed the quarter at USD 40.95 per barrel. The overall YoY drop in oil prices is beneficial from the perspective of import bill reduction and softening inflationary pressures; however, it also negatively impacts index heavyweight oil stocks.

Major contributors to the Index:

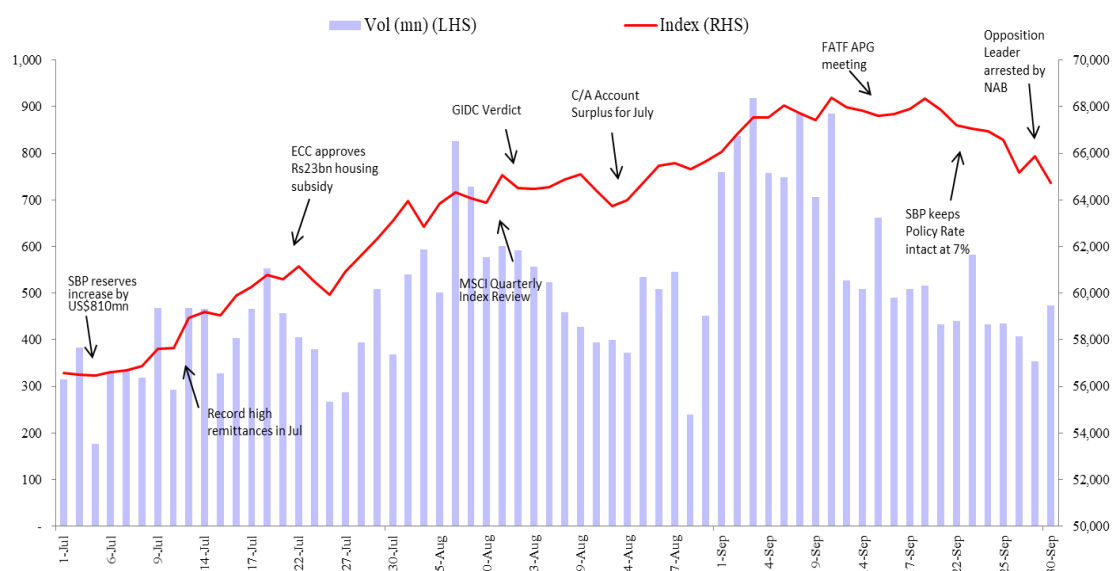
Among the key sectors, Cement, Oil Marketing, and Commercial Banking were the best performing sectors. The top contributing stocks in the KMI-30 index in 1QFY21 were:

Major Positive Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Lucky Cement	1,703	+31%
Pakistan Oilfield	714	+18%
Pakistan State Oil	688	+23%
Meezan Bank	519	+31%

On the flip side, Power and Oil Exploration were amongst the worst performing sectors. The key laggards in the KMI-30 index during the period were:

Major Negative Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Oil & Gas Development	-537	-8%
Hub Power Company	-244	-5%
Dawood Hercules	-160	-4%
Frieslandcampina Engro Foods	-20	-4%

The overall movement of the KMI-30 during the period can be observed in the following graph:



Equity Flows

Foreigners remained net sellers during the 1QFY21, generating a net outflow of around USD95 million. Sell off mainly concentrated in the Commercial Banking (USD 33 million), Oil and Gas Exploration (USD 31 million), and various sectors other than the main tier (USD 22 million) sectors. Supply was mainly absorbed by Individuals, Mutual Funds and Insurance companies with net inflows of USD 108 million, USD 26mn and USD 20 million, respectively. Key net sellers other than foreigners during the period were Banks and DFI's that sold off USD 53 million worth of securities.

Mutual Fund Industry Review

During 1QFY21, AUMs of the mutual fund industry increased by 14.1% to Rs. 872 bn. Shariah Compliant AUMs increased by 13.1% to Rs. 368 bn which brings the share of Shariah Compliant funds at 42.2% in the mutual fund industry. Al Meezan's share in the Mutual Funds industry stood at 18.0% while amongst the Shariah Compliant Funds, it has a share of 42.6% as of September 30, 2020.

Performance Review (Funds)

Meezan Islamic Fund

The net assets of Meezan Islamic Fund (MIF) as at September 30, 2020 stood at Rs. 29,829 million compared to Rs. 24,072 million at the end of June 2020, an increase of 24%. The net asset value (NAV) per unit as at September 30, 2020 was Rs. 54.8972 in comparison to Rs. 46.7710 per unit as on June 30, 2020 translating into a return of 17.37% during the quarter compared to the benchmark return of KSE Meezan Index (KMI 30) of 17.72%.

Al Meezan Mutual Fund

The net assets of Al Meezan Mutual Fund (AMMF) as at September 30, 2020 were Rs. 4,478 million compared to Rs. 3,913 million at the end of June 2020, an increase of 14%. The net asset value per unit as at September 30, 2020 was Rs. 15.4701 compared to Rs. 13.3176 per unit on June 30, 2020 translating into return of 16.16% during the quarter compared to the benchmark return of KSE Meezan Index (KMI 30) of 17.72%.

KSE Meezan Index Fund

The net assets of KSE Meezan Index Fund (KMIF) as at September 30, 2020 were Rs. 2,199 million compared to Rs. 1,857 million at June 30, 2020, an increase of 18%. The net asset value per unit at September 30, 2020 was Rs. 62.6238 as compared to Rs. 53.4129 per unit on June 30, 2020 translating into a return of 17.24% during the quarter compared to the benchmark return of KSE Meezan Index (KMI 30) of 17.72%.

Meezan Dedicated Equity Fund

The net assets of Meezan Dedicated Equity Fund (MDEF) as at September 30, 2020 were Rs. 783 million compared to Rs. 619 million at June 30, 2020, an increase of 26%. The net asset value per unit at September 30, 2020 was Rs. 40.3542 as compared to Rs. 34.6044 per unit on June 30, 2020 translating into a return of 16.62% during the quarter compared to the benchmark return of KSE Meezan Index (KMI 30) of 17.72%.

Meezan Energy Fund

The net assets of Meezan Energy Fund (MEF) as at September 30, 2020 were Rs. 455 million compared to Rs. 542 million in June 2020, a decline of 16%. The net asset value per unit as at September 30, 2020 was Rs. 33.0112 as compared to Rs. 30.0200 per unit on June 30, 2020, translating into a return of 9.96 % during the quarter compared to the benchmark return of KSE Meezan Index (KMI 30) of 17.72%.

Meezan Asset Allocation Fund

The net assets of Meezan Asset Allocation Fund (MAAF) as at September 30, 2020 were Rs. 1,485 million compared to Rs. 1,339 million at June 30, 2020, an increase of 11 %. The net asset value per unit as at September 30, 2020 was Rs. 41.5784 as compared to Rs. 36.5940 per unit on June 30, 2020 translating into a return of 13.62% during the quarter compared to the benchmark return of 15.08%.

Meezan Islamic Income Fund

The net assets of Meezan Islamic Income Fund (MIIF) as at September 30, 2020 were Rs. 33,122 million compared to Rs. 27,776 million at June 30, 2020, an increase of 19%. The net asset value per unit as at September 30, 2020 was Rs. 52.4491 compared to Rs. 51.4656 per unit on June 30, 2020 translating into an annualized return of 7.58% compared to the benchmark annualized return of 4.42%. At quarter end, the fund was 12% invested in Islamic Corporate Sukuks, 5% in Commercial Papers, 28% in GoP Ijarah / Govt. Guaranteed Sukuks, 5% in Certificate of Musharaka and 35% of the net assets were placed with Islamic Banks or windows of Islamic banks.

Meezan Sovereign Fund

The net assets of Meezan Sovereign Fund (MSF) as at September 30, 2020 were Rs. 8,807 million compared to Rs. 9,736 million at June 30, 2020, a decline of 10%. The net asset value per unit at September 30, 2020 was Rs. 52.9911 as compared to Rs. 51.5476 per unit on June 30, 2020 translating into an annualized return of 11.11% compared to the benchmark annualized return of 5.02%. At quarter end, the fund was 81% invested in GoP Ijarah /Govt. Guaranteed Sukuks and 15% of the net assets were placed with Islamic Banks or windows of Islamic banks.

Meezan Cash Fund

The net assets of Meezan Cash Fund (MCF) at September 30, 2020 were Rs. 15,465 million compared to Rs. 14,026 million at June 30, 2020, an increase of 10%. The net asset value per unit at September 30, 2020 was Rs. 51.2501 as compared to Rs. 50.4952 on June 30, 2020 translating into an annualized return of 5.93 % as compared to the benchmark annualized return of 3.87%. At quarter end 8% of the fund was placed in Term Deposit Receipts, 14% of the fund was placed in Commercial Papers, 4% in Islamic Corporate Sukuks and 65% of the net assets were placed with Islamic Banks or windows of Islamic banks.

Meezan Rozana Amdani Fund

The net assets of Meezan Rozana Amdani Fund (MRAF) at September 30, 2020 were Rs. 43,947 million compared to Rs. 53,351 million at June 30, 2020, a decline of 18%. The net asset value per unit at September 30, 2020 was Rs. 50.0000. During the quarter fund provides an annualized return of 6.38% as compared to the benchmark annualized return of 3.87%. At quarter end 7% of the fund was placed in Term Deposit Receipts, 6% of the fund was placed in Commercial Papers, 2% in Islamic Corporate Sukuks and 59% of the net assets were placed with Islamic Banks or windows of Islamic banks.

Meezan Balanced Fund

The net assets of Meezan Balanced Fund (MBF) as at September 30, 2020 were Rs. 4,359 million compared to Rs. 3,916 million at June 30, 2020, an increase of 11%. The net asset value per unit as at September 30, 2020 was Rs. 14.9263 as compared to Rs. 13.7136 per unit on June 30, 2020 translating into a return of 8.84% during the quarter compared to the benchmark return of 8.77%.

Meezan Financial Planning Fund of Funds

Aggressive Allocation Plan

The net assets of the plan were Rs. 311 million as at September 30, 2020 compared to Rs. 283 million at June 30, 2020. The plan provided a return of 13.43% during the quarter compared to the benchmark return of 14.24%.

Moderate Allocation Plan

The net assets of the plan were Rs. 141 million as at September 30, 2020 compared to Rs. 119 million at June 30, 2020. The plan provided a return of 9.85% during the quarter compared to the benchmark return of 10.26%.

Conservative Allocation Plan

The net assets of the plan as at September 30, 2020 were Rs. 149 million compared to Rs. 144 million at June 30, 2020. The plan provided a return of 5.83% during the quarter compared to the benchmark return of 5.74%.

Meezan Asset Allocation Plan-I

The net assets of the plan as at September 30, 2020 were Rs. 350 million compared to Rs. 318 million at June 30, 2020. The plan provided a return of 12.72% during the quarter compared to the benchmark return of 13.73%.

Meezan Strategic Allocation Fund

Meezan Strategic Allocation Plan-I

The net assets of the plan as at September 30, 2020 were Rs. 839 million compared to 793 million at June 30, 2020. The plan provided a return of 12.46% during the quarter compared to the benchmark return of 13.47%.

Meezan Strategic Allocation Plan-II

The net assets of the plan as at September 30, 2020 were Rs. 440 million compared to Rs. 453 million at June 30, 2020. The plan provided a return of 12.34 % during the quarter compared to the benchmark return of 13.38%.

Meezan Strategic Allocation Plan-III

The net assets of the plan as at September 30, 2020 were Rs. 536 million compared to Rs. 746 million at June 30, 2020. The plan provided a return of 12.62% during the quarter compared to the benchmark return of 13.36%.

Meezan Strategic Allocation Plan-IV

The net assets of the plan as at September 30, 2020 were Rs. 323 million compared to Rs. 751 million at June 30, 2020. The plan provided a return of 12.43% during the quarter compared to the benchmark return of 13.37%.

Meezan Strategic Allocation Plan-V

The net assets of the plan as at September 30, 2020 were Rs. 117 million compared to Rs. 196 million at June 30, 2020. The plan provided a return of 12.86% during the quarter compared to the benchmark return of 13.19%.

Meezan Capital Preservation Plan-III

The net assets of the plan as at September 30, 2020 were Rs. 395 million compared to Rs. 416 million at June 30, 2020. The plan provided a return of 2.71% during the quarter compared to the benchmark return of 1.26%.

Meezan Strategic Allocation Fund -II**Meezan Capital Preservation Plan-IV**

The net assets of the plan as at September 30, 2020 were Rs. 1,090 million compared to Rs. 1,112 million at June 30, 2020. The plan provided a return of 3.15% during the quarter compared to the benchmark return of 1.71%.

Meezan Capital Preservation Plan-V

The net assets of the plan as at September 30, 2020 were Rs. 186 million compared to Rs. 216 million at June 30, 2020. The plan provided a return of 2.81% during the quarter compared to the benchmark return of 1.24%.

Meezan Capital Preservation Plan-VI

The net assets of the plan as at September 30, 2020 were Rs. 204 million compared to Rs. 213 million at June 30, 2020. The plan provided a return of 2.68% during the quarter compared to the benchmark return of 1.26%.

Meezan Capital Preservation Plan-VII

The net assets of the plan as at September 30, 2020 were Rs. 123 million compared to Rs. 136 million at June 30, 2020. The plan provided a return of 2.68% during the quarter compared to the benchmark return of 1.27%.

Meezan Capital Preservation Plan-VIII

The net assets of the plan as at September 30, 2020 were Rs. 62 million compared to Rs. 64 million at June 30, 2020. The plan provided a return of 2.68 % during the quarter compared to the benchmark return of 1.26%.

Meezan Strategic Allocation Fund -III**Meezan Capital Preservation Plan-IX**

The net assets of the plan as at September 30, 2020 were Rs. 95 million compared to Rs. 89 million at June 30, 2020. The plan provided a return of 8.18 % during the quarter compared to the benchmark return which declined by 7.77%.

Meezan Gold Fund (MGF)

The net assets of the fund as at September 30, 2020 were 511 million compared to Rs. 548 million at June 30, 2020, a decrease of 7%. The net asset value per unit at September 30, 2020 was Rs. 88.5456 as compared to Rs. 84.1829 per unit on June 30, 2020 translating into a return of 5.18% during the quarter compared to the benchmark return of 6.05%.

Meezan Tahaffuz Pension Fund (MTPF)

MTPF comprises of four sub funds namely Equity sub fund, Debt sub fund, Money Market sub fund and Gold sub fund. For the quarter ended September 30, 2020, the equity sub-fund provided a return of 17.76% and gold sub fund provided a return of 6.25%, while the debt and money market sub-funds provided annualized returns of 13.68% and 4.95% respectively. Performance review for each sub fund is given as under:

Equity Sub Fund

The net assets of this sub fund stood at Rs. 4,923 million at September 30, 2020 compared to Rs. 4,131 million at June 30, 2020, an increase of 19%. The net asset value per unit of the plan was Rs. 471.1952 at the end of September 30, 2020 as compare to Rs. 400.1482 as at June 30, 2020. For the quarter under review, the equity sub fund earned a gross profit of Rs. 788 million as compared to gross loss of Rs. 228 million in corresponding quarter last year.

Debt Sub Fund

The net assets of this sub fund stood at Rs. 3,458 million at September 30, 2020 compared to Rs. 3,178 million at June 30, 2020, an increase of 9%. The net asset value per unit of the plan was Rs. 270.9411 at the end of September 30, 2020 as compare to Rs. 261.9128 as at June 30, 2020. For the quarter under review, the debt sub fund earned a gross income of Rs. 130 million as compared to Rs. 87 million in corresponding quarter last year.

Money Market Sub Fund

The net assets of this sub fund stood at Rs. 3,015 million at September 30, 2020 compared to Rs. 3,092 million at June 30, 2020, a decline of 2%. The net asset value per unit of the plan was Rs. 260.5591 at the end of September 30, 2020 as compare to Rs. 257.3454 as at June 30, 2020. For the quarter under review, the money market sub fund earned a gross income of Rs. 52 million as compared to Rs. 71 million in corresponding quarter last year.

Gold Sub Fund

The net assets of this sub fund stood at Rs. 130 million at September 30, 2020 compared to Rs. 119 million at June 30, 2020, an increase of 8%. The net asset value per unit of the plan was Rs. 168.2896 at the end of September 30, 2020 as compare to Rs. 158.3880 as at June 30, 2020. For the quarter under review, the gold sub fund earned a gross income of Rs. 8 million as compared to Rs. 5 million in corresponding quarter last year.

Outlook

The economic outlook is improving as indicators during the 1QFY21 shows that the government will likely achieve its 2.1% growth target. The Central Bank is also cognizant of the need for growth and has loosened the monetary policy along with other measures to stimulate growth. As per SBP, the recent rise in inflation is not due to demand side pressure, with core inflation for Sep-20 clocking in at only 6.4%. Overall we expect headline inflation to slightly dip in the coming months, while it is likely to rise in last quarter of fiscal year, at which time interest rates are expected to show some uptick. With current account number coming in better than expectations, we have witnessed PKR also strengthening versus USD. Government has decided to tap international bond markets for Eurobond & Sukuk bonds in the coming months which is likely to provide stability to PKR. Another important development will be the outcome of FATF plenary meeting to be held on 21-23 October. Although we have seen moderate rise in corona cases in last

few weeks in Pakistan, the numbers are so far very much under control. Nonetheless, there is no reason to be complacent and any unusual rise from this pandemic can have negative repercussion for the market and economy in general.

The Roshan Digital Account inaugurated by the Government is a major initiative of SBP, in collaboration with commercial banks. These accounts will provide all banking facilities for millions of Non-Resident Pakistanis seeking to undertake banking, payment and investment activities in Pakistan. The Roshan Digital Account will fully integrate the Pakistani diaspora with Pakistan's banking and payment system and enabling investment in Pakistan's stock market. Going forward, the Government is committed to issuing more fixed and floating rate Ijarah Sukuk, which will further enhance market participants' ability to deploy funds at attractive yields. Furthermore, we also expect corporate sector to also continue to raise funds through Sukuk and Islamic Commercial Papers. The decision by the Government to restrict institutional investor from participation in the National Savings Scheme should also bode well for Mutual Funds in future. The medium-term outlook for the stock market has now greatly recuperated due to low interest rate outlook, subdued devaluation going forward, and improving economic growth prospects. The sizable decline in interest rate has noticeably increased the attraction of equities, owing to a substantial drop in the appeal of fixed income alternatives, making it a preferred asset class among investors. With the pandemic gradually coming under control, economic activity has rebounded locally as well as globally, suggesting that corporate earnings are also set to improve in the coming quarters.

Acknowledgement

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

For and on behalf of the Board

Mohammad Shoaib, CFA

Chief Executive Officer

Date: October 21, 2020

ڈائریکٹرز رپورٹ مینجمنٹ کمپنی کے زیر انتظام فنڈز

المیزان انویسٹمنٹ مینجمنٹ لمیٹڈ کا بورڈ آف ڈائریکٹرز 30 ستمبر 2020 کو ختم ہونے والے عرصہ کے لیے درج ذیل اوپن اینڈ فنڈز اور انٹرنی پینشن اسکیم کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتا ہے۔

ایکویٹی فنڈز

میزان اسلامک فنڈ

المیزان میوچل فنڈ

کے ایس ای۔ میزان انڈیکس فنڈ

میزان ڈیڈ ویلٹیڈ ایکویٹی فنڈ

سیکٹرا اسپیسیفک فنڈ

میزان انرجی فنڈ

انکم فنڈز

میزان اسلامک انکم فنڈ

میزان سوورن فنڈ

منی مارکیٹ فنڈ

میزان کیش فنڈ

میزان روزانہ آمدنی فنڈ

بیلنسڈ فنڈ

میزان بیلنسڈ فنڈ

فنڈز آف فنڈز

میزان فنانشل پلاننگ فنڈ آف فنڈز

میزان اسٹریٹجک ایلوکیشن فنڈ

میزان اسٹریٹجک ایلوکیشن فنڈ- II

میزان اسٹریٹجک ایلوکیشن فنڈ- III

کموڈٹی فنڈ

میزان گولڈ فنڈ

ایسیٹ ایلوکیشن فنڈ

میزان ایسیٹ ایلوکیشن فنڈ

پنشن فنڈ

میزان تحفظ پنشن فنڈ

اقتصادی جائزہ

گزشتہ مالی سال 2020 میں بھی معیشت کو مسلسل چیلنجز کا سامنا رہا اور معاشی نمونہ 0.4 فی صد کمی دہائیوں کی کم ترین سطح پر ریکارڈ کی گئی، جس کی بڑی وجہ کوویڈ-19 وبائی مرض کا پھیلنا تھا اور سخت لاک ڈاؤن کی صورت حال کے باعث دنیا بھر میں معاشی سرگرمیاں شدید متاثر ہوئیں۔ عالمی وبا کے منفی معاشی اثرات کو ختم کرنے کے لیے، دیگر ممالک کے ساتھ، حکومت پاکستان نے بھی زری اور مالیاتی، دونوں محاذ پر غیر معمولی اقدامات لیے، جس نے معاشی تنزلی کو روکا اور لاک ڈاؤن کے بعد کے مہینوں میں تیز تر معاشی بحالی ممکن ہو سکی۔ حکومت نے صنعت کو معاونت فراہم کرنے کے لیے 1.2 ٹریلین روپے کے معاشی بحالی پیکیج کا اعلان کیا۔ اس کے ساتھ ہی، بینک دولت پاکستان نے پالیسی شرح زبردست کٹوتی کرتے ہوئے، قرض داروں کی جانب سے بنیادی قابل واپسی رقم کی ادائیگی ایک سال کے لیے مؤخر کرنے کی اجازت دینے کے ساتھ ساتھ ملازمین کو برقرار رکھنے اور کیپٹل فنانسنگ کے مقاصد کے تحت رعایتی شرائط پر سرمایہ بھی فراہم کیا ہے۔ ابھی تک کئی ممالک، وبائی مرض سے نمٹنے میں مشکلات کا سامنا کر رہے ہیں، جبکہ پاکستان میں جون 2020 کے روزانہ کے 6,825 کیسز کی بلند سطح سے ستمبر 2020 کے آخر تک انھیں تقریباً 600 کیسز روزانہ تک کم کر دیا گیا ہے۔ اس حوصلہ افزا صورت حال کے باعث حکومت نے مرحلہ وار کاروباری سرگرمیاں دوبارہ کھولنے کا آغاز کر دیا ہے۔ چنانچہ، مالی سال 21 کی پہلی سہ ماہی کے دوران، پاکستان میں معاشی اشاریوں میں تیزی کے ساتھ بحالی دیکھی گئی، جس کی وجوہات میں جزوی طور پر متذکرہ بالا معاشی بحالی پیکیج، عالمی اجناس کی قیمتوں میں زبردست کمی اور قرض دینے والے کثیرالجتی اداروں کی جانب سے قابل ذکر مالیاتی سپورٹ شامل ہیں۔

مالی سال 21 کی پہلی سہ ماہی کے دوران سالانہ بنیاد پر افراط زر کی اوسط شرح 8.84 فیصد ریکارڈ کی گئی، جو مالی سال 20 کے دوران 10.74 فیصد پر تھی۔ بینک دولت پاکستان کا تخمینہ ہے کہ مالی سال 21 کے دوران افراط زر کی اوسط شرح 7 سے 9 فیصد کے درمیان رہے گی۔ قومی افراط زر اعتدال میں رہنے، کوویڈ-19 کے حوالے سے غیر یقینی صورت حال برقرار رہنے اور حکومت کا مقصد معیشت کو متحرک فراہم کرنے کے پیش نظر، بینک دولت پاکستان صرف 4 ماہ کے قلیل عرصہ میں پالیسی شرح میں 625 بیس پوائنٹس کٹوتی کرتے ہوئے اسے 7 فیصد کی شرح پر لے آیا۔ البتہ، گھریلو اشیائے خورد و نوش کی قیمتوں میں حالیہ اضافے اور آنے والی سہ ماہیوں میں یوٹیلیٹی نرخوں میں متوقع اضافے کے پیش نظر افراط زر کی توقعات غیر یقینی ہو گئی ہیں۔ اس کے باوجود، توقع ہے کہ اس مالی سال افراط زر کی شرح، گزشتہ سال کی اوسط افراط زر کے مقابلے میں کم رہے گی۔ وسیع پیمانے پر ٹیکس اصلاحات اور غیر ترقیاتی اخراجات پر سخت کنٹرول کے ذریعے حکومت کے مالیاتی معاملات کو بہتر بنانے پر توجہ دی جا رہی ہے۔ مالی سال 20 میں ایف بی آر نے 3,989 ارب روپے کے محصولات اکٹھے کیے، جو کہ از سر نو مقرر کردہ ہدف سے 4.3 فیصد زائد ہیں۔ مالی سال 21 میں مالی خسارے کو جی ڈی پی کے 7 فیصد تک محدود رکھنے کے لیے ایف بی آر نے 4,963 ارب روپے ٹیکس محصولات کے ہدف کا اعلان کیا ہے۔ مالی سال 21 کی پہلی سہ ماہی میں ایف بی آر نے 1,004 ارب روپے اکٹھے کیے ہیں، جو پہلی سہ ماہی کے لیے مقرر کردہ 970 ارب روپے کے ہدف سے زائد ہیں۔

بیرونی کھاتے میں قابل ذکر بہتری کا رجحان جاری رہا اور مالی سال 19 میں 13.4 ارب ڈالر کے جاری کھاتے کے خسارے (CAD) کے مقابلے میں مالی سال 20 میں یہ 3 ارب ڈالر ہو گیا، جو کہ سالانہ بنیاد پر 78 فیصد کمی ہے۔ اس کمی کی وجہ تجارتی خسارے کا کم ہونا تھا، اور اس کی وجہ بھی پاکستانی روپے کی قدر میں قابل ذکر کمی اور گزشتہ دو سال کے دوران سخت زری پالیسی تھی۔ مالی سال 21 کے ابتدائی دو ماہ میں جاری کھاتے کا توازن 805 ملین ڈالر فاضل رہا، جس کی وجہ تجارتی خسارے میں سالانہ بنیاد پر 17 فیصد کمی اور ترسیلات زر میں 31 فیصد کا قابل ذکر اضافہ ہے۔ جاری کھاتے میں معمولی توازن اور بیرونی مالیاتی امداد کے باعث، پاکستان وبا کے نتیجے میں ادائیگیوں کے توازن کے ایک اور بحران سے نکل آیا ہے۔ اس کی ایک وجہ یہ بھی تھی کہ وبا سے قبل، حکام نے معاشی تیاری کر لی تھی، جس کے باعث وبائی مرض کے خلاف تیز اور مؤثر حکمت عملی اپنانے میں مدد حاصل ہوئی۔ سہ ماہی کے دوران، بین الاقوامی ریٹنگ ایجنسی موڈیز نے مستحکم نقطہ نظر کے ساتھ حکومت پاکستان کی B3 مقامی ریٹنگ اور غیر ملکی کرنسی جاری کرنے والے اور سینئر غیر محفوظ شدہ قرضوں کی درجہ بندی کی تصدیق کی۔ اسی طرح، فچ ریٹنگ نے بھی پاکستان کے طویل مدتی غیر ملکی کرنسی جاری کرنے والے کوڈیفالٹ درجہ بندی (IDR) کے تحت مستحکم نقطہ نظر کے ساتھ B- کی تصدیق کی۔ اسٹیٹ بینک کے زرمبادلہ کے ذخائر ستمبر 2020 کے اختتام تک 12.4 ارب امریکی ڈالر تک بڑھ گئے (جو درآمدی ضروریات کے ساڑھے تین ماہ کے برابر ہیں) جو جون 2020 کے آخر میں 12.1 ارب امریکی ڈالر سے 1.9 فیصد زیادہ ہیں۔ مالی سال 21 کی پہلی سہ ماہی کے دوران زرمبادلہ کی شرح بڑی حد تک مستحکم رہی، تاہم ستمبر کے دوران پاکستانی کرنسی کی قدر میں امریکی ڈالر کے مقابلے میں بڑھتی ہوئی ترسیلات زر کی بدولت اضافہ ہوا اور 1.4 فیصد اضافے کے ساتھ 165.7 / فی امریکی ڈالر کی شرح تبادلہ پر بند ہوا۔

بازارِ زر کا جائزہ

زیر جائزہ عرصہ کے دوران، کابور کی شرح میں 6 پیس پوائنٹس تا 23 پیس پوائنٹس اضافہ دیکھا گیا، جبکہ 6 ماہ اور 12 ماہ کے کابور کی شرح بالترتیب 6 پیس پوائنٹس اور 23 پیس پوائنٹس اضافے کے ساتھ 7.30 فیصد اور 7.58 فیصد ہو گئی۔ دوسری طرف، سیکنڈری مارکیٹ میں پی آئی بی پر منافع کی شرح میں 76 پیس پوائنٹس تا 106 پیس پوائنٹس اضافہ ہوا۔ 3 سال کے بانڈ پر منافع کی شرح 8.29 فیصد (76 پیس پوائنٹس اضافہ)، 5 سال کے بانڈ پر منافع کی شرح 9.13 فیصد (102 پیس پوائنٹس اضافہ) اور 10 سال کے بانڈ پر منافع کی شرح 9.75 فیصد (106 پیس پوائنٹس اضافہ) پر بند ہوئی۔ قلیل مدتی سرکاری پیپر پر شرح منافع میں بھی اضافے کا رجحان دیکھا گیا، جس میں 11 پیس پوائنٹس تا 24 پیس پوائنٹس اضافہ ہوا۔ زریسیال کے لحاظ سے، بینک دولت پاکستان کی جانب سے اوپن مارکیٹ آپریشن کے ذریعے رقوم کی مسلسل فراہمی کے باعث بازارِ زر مستحکم رہا، جہاں مرکزی بینک نے اس بات کو یقینی بنایا کہ قلیل مدتی بازارِ زر شرح پالیسی کے قریب تر رہے۔ مالی سال '21 کی پہلی سہ ماہی کے دوران 2.49 ٹریلیں روپے کی چھٹنگی کے مقابلے میں بینک دولت پاکستان نے نئی بلز کے ذریعے 1.82 ٹریلیں روپے حاصل کیے۔ دوسری طرف، بینک دولت پاکستان نے طویل مدتی پاکستان انویسٹمنٹ بانڈز (فلوٹنگ اور فلوٹنگ) کی مد میں 101 ارب روپے کی چھٹنگی کے مقابلے میں 982.9 ارب روپے کی بولیاں قبول کی۔

Description	Jun-20	Sep-20	Difference
KIBOR 3 Months	7.26%	7.25%	-1bps
KIBOR 6 Months	7.24%	7.30%	+6bps
KIBOR 12 Months	7.35%	7.58%	+23bps
T-Bill 3 Months	7.09%	7.10%	+1bps
T-Bill 6 Months	7.05%	7.16%	+11bps
T-Bill 12 Months	7.05%	7.29%	+24bps
PIB 3 Year	7.53%	8.29%	+76bps
PIB 5 Year	8.11%	9.13%	+102bps
PIB 10 Year	8.69%	9.75%	+106bps

زیر جائزہ عرصہ کے دوران، مرکزی بینک نے فلوٹنگ اور فلوٹنگ ریٹ اجارہ صکوک کے ذریعے 162 ارب روپے بھی حاصل کیے۔ اجارہ صکوک کے اجراء سے اسلامی منی مارکیٹ کے شرکاء کو کافی حد تک سکون حاصل ہوا اور مارکیٹ میں دستیاب اضافی زریسیال کو کم کرنے میں مدد ملی۔ مزید برآں، کارپوریٹ سیکٹر نے صکوک اور اسلامک کمرشل پیپرز کے ذریعے فنڈز کا حصول جاری رکھا، جس نے اسلامی اداروں کے پاس دستیاب اضافی زریسیال کے کچھ حصے کو جذب کرنے میں اہم کردار ادا کیا۔

بازارِ حصص کا جائزہ

مالی سال '21 کی پہلی سہ ماہی کے دوران، کے ایم آئی 30 انڈیکس 17.7 فیصد اضافے کے ساتھ 64,738 پوائنٹس پر بند ہوا جبکہ کے ایس ای 100 انڈیکس اسی طرح کے 17.9 اضافے کے بعد 40,571 پوائنٹس پر پہنچ گیا۔ مارکیٹ نے مالی سال کا آغاز زبردست انداز میں کیا، جس کے تحت جولائی کے دوران انڈیکس میں 14 فیصد اضافہ ہوا، اگست کے دوران ایک بار پھر 5 فیصد اضافہ ہوا، لیکن اس تیزی سے اضافے کے بعد منافع لینے کے بعد ستمبر میں ایک فیصد کمی ہوئی۔ مالی سال '21 کی پہلی سہ ماہی کے دوران، کے ایس ای 100 نے ستمبر کے اوائل میں 42,647 پوائنٹس کی بلند ترین سطح کو چھوا (سہ ماہی کے دوران 24 فیصد اضافہ) لیکن اسی ماہ کے اواخر میں اس رجحان میں تبدیلی دیکھی گئی۔ مالی سال '21 کی پہلی سہ ماہی کے دوران، متاثر کن تیزی جزوی طور پر میکرو اکنامک اشاریوں میں بہتری، زریسیال میں اضافے، کم شرح سود، پاکستان میں کوویڈ-19 کیسز میں توقعات سے بڑھ کر کمی کے مرہون منت رہی، جبکہ مجموعی مارکیٹ کی ویلیویشن، تاریخی فارورڈ پی/ای کے تناظر میں کم ہونے کے باعث پرکشش رہی۔ مقامی انسٹیٹیوشنز اور افراد کی جانب سے خریداری کے باعث، غیر ملکی فروخت کے باوجود، زبردستی بحالی دیکھی گئی۔

سہ ماہی کے دوران، مارکیٹ مثبت سمت میں رہی، کیونکہ مارچ-20 سے شرح سود میں زبردست کٹوتی نے فکسڈ انکم کے مقابلے میں حصص کی کشش میں قابل ذکر اضافہ کیا ہے، کیونکہ فکسڈ انکم سیکوریٹیز پر منافع اور حصص پر منافع میں واضح فرق آیا ہے۔ ایک اور مثبت پیشرفت، کورونا وائرس انفیکشن کی شرح میں قابل ذکر کمی تھی، جس کے نتیجے میں جون کے اختتام پر 108 273 فعال کیسز کے مقابلے میں ستمبر 2020 کے آخر میں فعال کیسز 8,825 رہ گئے۔ یہ اسٹاک مارکیٹ میں سرمایہ کاروں کے جذبہ اور امید کو بڑھانے کے لیے اہم جزو تھا۔ اسٹیٹ بینک نے تجارتی بینکوں کو ہدایت کی کہ وہ نجی شعبے کے قرضوں کا 5 فیصد تک تعمیراتی شعبے اور ہاؤس فنانس میں فراہم کریں جبکہ حکومت نے دیامر بھاشا ڈیم کی تعمیر کا افتتاح کیا۔ ان اقدامات سے نہ صرف تعمیراتی شعبے میں سرگرمی میں بہتری آئے گی بلکہ بہت سے دیگر شعبوں میں بھی اس کا مثبت اثر جائے گا۔ دوسری طرف، جی آئی ڈی سی سے متعلق سپریم کورٹ کا فیصلہ حکومت کے حق میں تھا، جبکہ مختلف صنعتوں کے لیے یہ منفی تھا۔ متعدد آئی پی پیز کی جانب سے حکومت کے ساتھ معاہدے پر دستخط کے بعد یہ مرکز نگاہ بن گئیں، جس کے تحت معاہدہ کردہ مدت کے اندر گردش قرضے کے مسائل حل کرنے کے بعد وہ گارنٹیڈ منافع میں کٹوتی قبول کریں گی۔ نیز سہ ماہی کے دوران، اوجی ڈی سی اور پی ایل کے SPO (سیکنڈری سپلک آفرنگ) کی خبریں منظر عام پر آئیں، اور آئندہ سہ ماہی میں مالیاتی مشیروں کی تقرری کا نیا عمل شروع کیے جانے کا امکان ہے۔

مالی سال 21 کی پہلی سہ ماہی کے دوران، حصص کی لین دین کے کاروبار میں قابل ذکر بہتری دیکھی گئی اور اس عرصے کے دوران کے ایم آئی-30 کا حجم، مالی سال 20 کی چوتھی سہ ماہی کے مقابلے میں 114 فی صد اضافے کے ساتھ 173 ملین حصص، اور کے ایس ای 100 کا کاروباری حجم 115 فیصد اضافے کے ساتھ 299 ملین حصص ہو گیا۔ سہ ماہی کے دوران، میکرو اکنامک منظر نامہ میں کئی گنا بہتری آئی، جس کی وجہ کاروباری سرگرمیوں کا بحال ہونا (جو کہ ابتدائی طور پر رُخنے کے بعد پیدا ہونے والی طلب کے باعث تھی) اور بالخصوص پیٹرو لیوم مصنوعات، سیمنٹ اور گاڑیوں کی طلب میں اضافہ تھا۔ ایف بی آر بھی اپنا سہ ماہی ہدف حاصل کرنے میں کامیاب رہا۔ جاری کھاتے کے توازن میں بھی نمایاں بہتری دیکھی گئی اور مالی سال 21 کے پہلے دو ماہ کے دوران یہ 0.8 ارب ڈالر فاضل رہا۔ سود کی شرح کو جارحانہ انداز میں کم کرنے کے بعد، اسٹیٹ بینک نے ستمبر کی مانیٹری پالیسی میں پالیسی شرح کو 7 فیصد پر برقرار رکھا اور حقیقی شرح سود کو منفی رکھا۔ زرعی پالیسی کی ترجیح مناسب طور پر ان مشکل حالات میں نمو اور روزگار کے مواقع بڑھانے کی طرف موڑ دی گئی ہے۔ مقامی سیاسی شور، بیشتر سہ ماہی کے دوران خاموشی کے بعد، اپوزیشن رہنما کی گرفتاری اور سہ ماہی کے اختتام کے قریب اپوزیشن اتحاد کی تشکیل کے بعد اٹھ کھڑا ہوا، جس نے منفی طور پر مارکیٹ کو متاثر کیا۔

سہ ماہی کے دوران تیل کی قیمتیں بڑے پیمانے پر مستحکم رہیں اور برینٹ خام تیل 40 سے 46 ڈالر فی بیرل کے درمیان فروخت ہوتا رہا۔ مجموعی طور پر تیل کی قیمتیں سہ ماہی کے پہلے دو مہینوں کے دوران بالائی احاطے میں رہی لیکن کچھ بڑی معیشتوں میں کوویڈ 19 کیسز کے دوبارہ سر اٹھانے کی وجہ سے ستمبر میں کمی دیکھی گئی۔ برینٹ خام تیل کی سہ ماہی کا اختتام 40.95 ڈالر فی بیرل پر کیا۔ تیل کی قیمتوں میں مجموعی طور پر سالانہ بنیاد پر گراؤ درآمدی بل میں کمی اور افراط زر کے دباؤ کو نرم کرنے کے تناظر سے فائدہ مند ہے۔ تاہم، یہ انڈیکس ہیوی ویٹ اسٹاکس پر منفی اثر بھی ڈالتا ہے۔

انڈیکس میں بڑے حصہ دار:

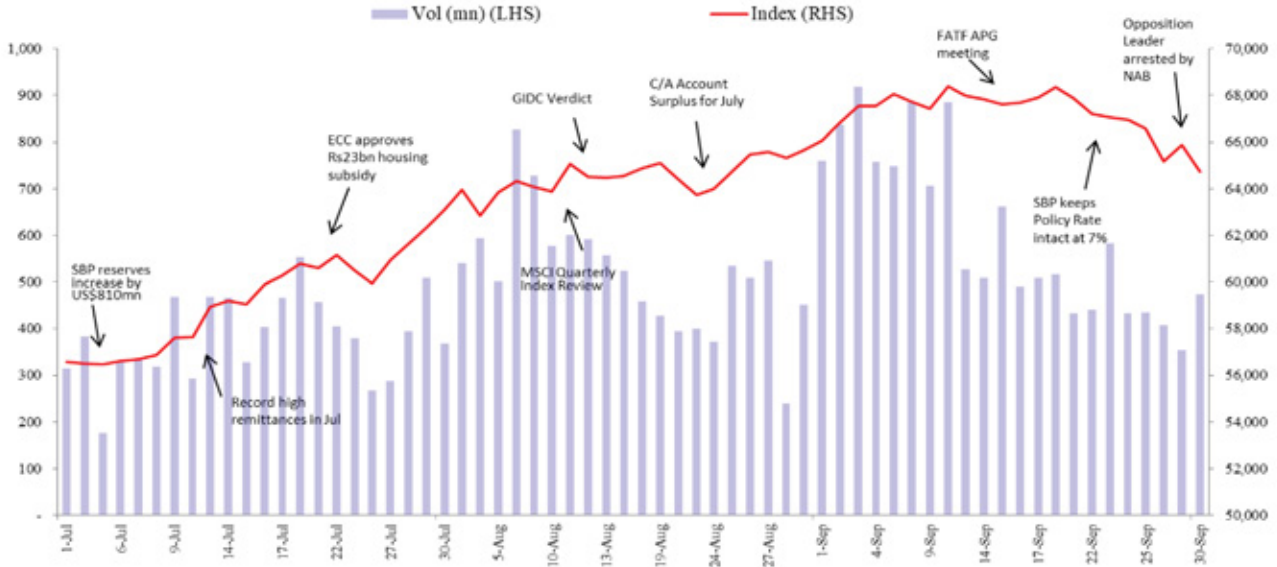
اہم شعبہ جات میں سیمنٹ، آئل مارکیٹنگ اور کمرشل بینکنگ بہترین کارکردگی دکھانے والے سیکٹرز رہے۔ مالی سال 21 کی پہلی سہ ماہی کے دوران، کے ایم آئی-30 انڈیکس میں حصہ ڈالنے والے سرفہرست حصص درج ذیل ہیں:

Major Positive Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Lucky Cement	1,703	+31%
Pakistan Oilfield	714	+18%
Pakistan State Oil	688	+23%
Meezan Bank	519	+31%

دوسری طرف، بجلی اور تیل کی تلاش کے سیکٹرز کی کارکردگی بدترین رہی۔ اس عرصے کے دوران، درج ذیل نے کے ایم آئی-30 انڈیکس کو سست روی کا شکار کیا:

Major Negative Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Oil & Gas Development	-537	-8%
Hub Power Company	-244	-5%
Dawood Hercules	-160	-4%
Frieslandcampina Engro Foods	-20	-4%

اس عرصے کے دوران، کے ایم آئی-30 انڈیکس کی مجموعی نقل و حرکت کا جائزہ درج ذیل گراف میں لیا جاسکتا ہے:



حصص میں بہاؤ

مالی سال 21 کی پہلی سہ ماہی کے دوران، غیر ملکی سرمایہ کار خالص فروخت کنندہ رہتے ہوئے تقریباً 95 ملین ڈالر مارکیٹ سے نکال کر لے گئے۔ زیادہ تر اخراج کمرشل بینکنگ (33 ملین ڈالر)، تیل و گیس کی تلاش (31 ملین) اور مرکزی دھارے کے سیکٹرز کو چھوڑ کر دیگر مختلف سیکٹرز سے (22 ملین ڈالر) میں دیکھا گیا۔ اس رسد کو بنیادی طور پر انفرادی سرمایہ کاروں، میوچل فنڈز اور انشورنس کمپنیوں نے جذب کیا، جنہوں نے بالترتیب 108 ملین امریکی ڈالر، 26 ملین ڈالر اور 20 ملین امریکی ڈالر کی سرمایہ کاری کی۔ غیر ملکیوں کے علاوہ، دیگر بڑے فروخت کنندگان میں بینک / ترقیاتی مالیاتی ادارے (ڈی ایف آئی) رہے، جن کے اخراج کی مالیت 53 ملین امریکی ڈالر مالیت کی سیکورٹیزز ہیں۔

میوچل فنڈ انڈسٹری کا جائزہ

مالی سال 21 کی پہلی سہ ماہی کے دوران، میوچل فنڈ انڈسٹری کے زیر انتظام اثاثہ جات کا حجم 14.1 فیصد اضافے کے ساتھ 872 ارب روپے ہو گیا۔ شریعہ موافق زیر انتظام اثاثہ جات 13.1 فیصد بڑھ کر 368 ارب روپے ہو گئے، اس طرح 30 ستمبر 2020 تک میوچل فنڈ انڈسٹری میں شریعہ موافق فنڈز کا حصہ 42.2 فیصد ہو چکا ہے۔ 30 ستمبر 2020 تک میوچل فنڈ انڈسٹری میں المیزان کا حصہ 18 فیصد، جبکہ شریعہ موافق فنڈز میں حصہ 42.6 فیصد تھا۔

کارکردگی کا جائزہ (فنڈز)

میزان اسلامک فنڈ

30 ستمبر 2020 کے مطابق، میزان اسلامک فنڈ (MIF) کے خالص اثاثہ جات 29,829 ملین روپے ہو گئے، جو کہ جون 2020 کے اختتام پر 24,072 ملین روپے تھے، اس طرح یہ اضافہ 24 فیصد بنتا ہے۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت 54.8972 روپے رہی، جو 30 جون 2020 کو 46.7710 روپے فی یونٹ تھی، جو کہ سہ ماہی کے دوران بیچ مارک کے ایس ای میز انڈیکس (کے ایم آئی 30) کے 17.72% شرح منافع کے مقابلے میں 17.37% شرح منافع بنتی ہے۔

المیزان میوچل فنڈ

30 ستمبر 2020 کو المیزان میوچل فنڈ (AMMF) کے خالص اثاثہ جات 4,478 ملین روپے ہو گئے، جو کہ جون 2020 کے اختتام پر 3,913 ملین روپے تھے، اس طرح یہ اضافہ 14 فیصد بنتا ہے۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت 15.4701 روپے رہی، جو 30 جون 2020 کو 13.3176 روپے فی یونٹ تھی، جو کہ سہ ماہی کے دوران بیچ مارک کے ایس ای میز انڈیکس (کے ایم آئی 30) کے 17.72% شرح منافع کے مقابلے میں 16.16% شرح منافع بنتی ہے۔

کے ایس ای میز انڈیکس فنڈ

30 ستمبر 2020 کے مطابق، کے ایس ای میز انڈیکس فنڈ (KMIF) کے خالص اثاثہ جات 2,199 ملین روپے ہو گئے، جو کہ جون 2020 کو 1,857 ملین روپے تھے، اس طرح یہ اضافہ 18 فیصد بنتا ہے۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت 62.6238 روپے رہی، جو 30 جون 2020 کو 53.4129 روپے فی یونٹ تھی، جو کہ سہ ماہی کے دوران بیچ مارک کے ایس ای میز انڈیکس (کے ایم آئی 30) کے 17.72% شرح منافع کے مقابلے میں 17.24% شرح منافع بنتی ہے۔

میزان ڈیڈیکٹیڈ ایکویٹی فنڈ

30 ستمبر 2020 کے مطابق، میزان ڈیڈیکٹیڈ ایکویٹی فنڈ (MDEF) کے خالص اثاثہ جات 783 ملین روپے ہو گئے، جو کہ جون 2020 کو 619 ملین روپے تھے، اس طرح یہ اضافہ 26 فیصد بنتا ہے۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت 40.3542 روپے رہی، جو 30 جون 2020 کو 34.6044 روپے فی یونٹ تھی، جو کہ سہ ماہی کے دوران بیچ مارک کے ایس ای میز انڈیکس (کے ایم آئی 30) کے 17.72% شرح منافع کے مقابلے میں 16.62% شرح منافع بنتی ہے۔

میزان انرجی فنڈ

30 ستمبر 2020 کے مطابق، میزان انرجی فنڈ (MEF) کے خالص اثاثہ جات 455 ملین روپے ہو گئے، جو کہ جون 2020 کو 542 ملین روپے تھے، جو کہ 16 فیصد کمی کو ظاہر کرتے ہیں۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت 33.0112 روپے رہی، جو 30 جون 2020 کو 30.0200 روپے فی یونٹ تھی، جو کہ سہ ماہی کے دوران بیچ مارک کے ایس ای میز انڈیکس (کے ایم آئی 30) کے 17.72% شرح منافع کے مقابلے میں 9.96% شرح منافع بنتی ہے۔

میزان ایسیٹ ایلو کیشن فنڈ

30 ستمبر 2020 کے مطابق، میزان ایسیٹ ایلو کیشن فنڈ (MAAF) کے خالص اثاثہ جات 1,485 ملین روپے ہو گئے، جو کہ جون 2020 کو 1,339 ملین روپے تھے، جو کہ 11 فیصد اضافہ ہے۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت 41.5784 روپے رہی، جو 30 جون 2020 کو 36.5940 روپے فی یونٹ تھی، جو کہ سہ ماہی کے دوران بیچ مارک کے ایس ای میز انڈیکس (کے ایم آئی 30) کے 15.08% شرح منافع کے مقابلے میں 13.62% شرح منافع بنتی ہے۔

میزان اسلامک انکم فنڈ

30 ستمبر 2020 کے مطابق، میزان اسلامک انکم فنڈ (MIIF) کے خالص اثاثہ جات 33,122 ملین روپے ہو گئے، جو کہ 30 جون 2020 کو 27,776 ملین روپے تھے، جو کہ 19 فیصد کا اضافہ ہے۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت 52.4491 روپے رہی، جو 30 جون 2020 کو 51.4656 روپے فی یونٹ تھی، جو کہ سالانہ بیٹنچ مارک %4.42 شرح منافع کے مقابلے میں %7.58 سالانہ شرح منافع بنتی ہے۔ سہ ماہی کے اختتام پر، %12 فنڈ اسلامک کارپوریٹ صکوک، %5 کمرشل پیپرز، %28 جی او پی اجارہ / گورنمنٹ گارنٹیڈ صکوک، %5 مشارکہ سرٹیفکیٹ اور %35 فیصد خالص اثاثہ جات اسلامی بینکوں یا بینکوں کے اسلامک ونڈوز میں لگے ہوئے تھے۔

میزان سوورن فنڈ

30 ستمبر 2020 کے مطابق، میزان سوورن فنڈ (MSF) کے خالص اثاثہ جات 8,807 ملین روپے ہو گئے، جو کہ 30 جون 2020 کو 9,736 ملین روپے تھے، اس طرح %10 کی کمی ریکارڈ کی گئی۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت 52.9911 روپے رہی، جو 30 جون 2020 کو 51.5476 روپے فی یونٹ تھی، جو کہ سالانہ بیٹنچ مارک %5.02 شرح منافع کے مقابلے میں %11.11 سالانہ شرح منافع بنتی ہے۔ سہ ماہی کے اختتام پر، %81 فنڈ جی او پی اجارہ / گورنمنٹ گارنٹیڈ صکوک اور %15 فیصد خالص اثاثہ جات اسلامی بینکوں یا بینکوں کے اسلامک ونڈوز میں لگے ہوئے تھے۔

میزان کیش فنڈ

30 ستمبر 2020 کے مطابق، میزان کیش فنڈ (MCF) کے خالص اثاثہ جات 15,465 ملین روپے ہو گئے، جو کہ 30 جون 2020 کو 14,026 ملین روپے تھے، اس طرح %10 کا اضافہ ریکارڈ کیا گیا۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت 51.2501 روپے رہی، جو 30 جون 2020 کو 50.4952 روپے فی یونٹ تھی، جو کہ سالانہ بیٹنچ مارک %3.87 شرح منافع کے مقابلے میں %5.93 سالانہ شرح منافع بنتی ہے۔ سہ ماہی کے اختتام پر %8 فنڈ، ٹرم ڈیپازٹ ری سیپٹس، %14 کمرشل پیپرز، %4 اسلامک کارپوریٹ صکوک اور %65 فیصد خالص اثاثہ جات اسلامی بینکوں یا بینکوں کے اسلامک ونڈوز میں لگے ہوئے تھے۔

میزان روزانہ آمدنی فنڈ

30 ستمبر 2020 کے مطابق، میزان روزانہ آمدنی فنڈ (MRAF) کے خالص اثاثہ جات 43,947 ملین روپے ہو گئے، جو کہ 30 جون 2020 کو 53,351 ملین روپے تھے، اس طرح %18 کمی ریکارڈ کی گئی۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت 50.0000 روپے تھی۔ سہ ماہی کے دوران فنڈ نے سالانہ بیٹنچ مارک %3.87 شرح منافع کے مقابلے میں %6.38 کی سالانہ شرح سے منافع دیا۔ سہ ماہی کے اختتام پر، %7 فنڈ، ٹرم ڈیپازٹ ری سیپٹس، %6 کمرشل پیپرز، %2 اسلامک کارپوریٹ صکوک، اور %59 فیصد خالص اثاثہ جات اسلامی بینکوں یا بینکوں کے اسلامک ونڈوز میں لگے ہوئے تھے۔

میزان بیلنسڈ فنڈ

30 ستمبر 2020 کے مطابق، میزان بیلنسڈ فنڈ (MBF) کے خالص اثاثہ جات 4,359 ملین روپے ہو گئے، جو کہ 30 جون 2020 کو 3,916 ملین روپے تھے، اس طرح %11 اضافہ ریکارڈ کیا گیا۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی فی یونٹ قدر و قیمت 14.9263 روپے تھی جو کہ 30 جون 2020 کو 13.7136 روپے تھی، جو کہ بیٹنچ مارک %8.77 شرح منافع کے مقابلے میں %8.84 شرح منافع بنتی ہے۔

میزان فنانسئل پلاننگ فنڈز

ایگریسیو ایلوکیشن پلان

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 311 ملین روپے تھے، جو کہ 30 جون 2020 کو 283 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، ہینج مارک %14.24 شرح منافع کے مقابلے میں %13.43 شرح منافع دیا۔

موڈریٹ ایلوکیشن پلان

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 141 ملین روپے تھے، جو کہ 30 جون 2020 کو 119 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، ہینج مارک %10.26 شرح منافع کے مقابلے میں %9.85 شرح منافع دیا۔

کنزرویٹو ایلوکیشن پلان

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 149 ملین روپے تھے، جو کہ 30 جون 2020 کو 144 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، ہینج مارک %5.74 شرح منافع کے مقابلے میں %5.83 شرح منافع دیا۔

میزان ایسیٹ ایلوکیشن پلان-I

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 350 ملین روپے تھے، جو کہ 30 جون 2020 کو 318 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، ہینج مارک %13.73 شرح منافع کے مقابلے میں %12.72 شرح منافع دیا۔

میزان اسٹریٹجک ایلوکیشن فنڈ

میزان اسٹریٹجک ایلوکیشن پلان-I

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 839 ملین روپے تھے، جو کہ 30 جون 2020 کو 793 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، ہینج مارک %13.47 شرح منافع کے مقابلے میں %12.46 شرح منافع دیا۔

میزان اسٹریٹجک ایلوکیشن پلان-II

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 440 ملین روپے تھے، جو کہ 30 جون 2020 کو 453 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، ہینج مارک %13.38 شرح منافع کے مقابلے میں %12.34 شرح منافع دیا۔

میزان اسٹریٹجک ایلوکیشن پلان-III

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 536 ملین روپے تھے، جو کہ 30 جون 2020 کو 746 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، ہینج مارک %13.36 شرح منافع کے مقابلے میں %12.62 شرح منافع دیا۔

میزان اسٹریٹجک ایلوکیشن پلان-IV

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 323 ملین روپے تھے، جو کہ 30 جون 2020 کو 751 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، ہینج مارک %13.37 شرح منافع کے مقابلے میں %12.43 شرح منافع دیا۔

میزان اسٹریٹجک ایلوکیشن پلان-V

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 117 ملین روپے تھے، جو کہ 30 جون 2020 کو 196 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، ہینج مارک %13.19 شرح منافع کے مقابلے میں %12.86 شرح منافع دیا۔

میزان کپیٹل پریزرویشن پلان -III

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 395 ملین روپے تھے، جو کہ 30 جون 2020 کو 416 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، پیئج مارک 1.26% شرح منافع کے مقابلے میں 2.71% شرح منافع دیا۔

میزان اسٹریٹجک ایلوکیشن فنڈ-II

میزان کپیٹل پریزرویشن پلان -IV

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 1,090 ملین روپے تھے، جو کہ 30 جون 2020 کو 1,112 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، پیئج مارک 1.71% شرح منافع کے مقابلے میں 3.15% شرح منافع دیا۔

میزان کپیٹل پریزرویشن پلان -V

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 186 ملین روپے تھے، جو کہ 30 جون 2020 کو 216 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، پیئج مارک 1.24% شرح منافع کے مقابلے میں 2.81% شرح منافع دیا۔

میزان کپیٹل پریزرویشن پلان -VI

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 204 ملین روپے تھے، جو کہ 30 جون 2020 کو 213 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، پیئج مارک 1.26% شرح منافع کے مقابلے میں 2.68% شرح منافع دیا۔

میزان کپیٹل پریزرویشن پلان -VII

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 123 ملین روپے تھے، جو کہ 30 جون 2020 کو 136 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، پیئج مارک 1.27% شرح منافع کے مقابلے میں 2.68% شرح منافع دیا۔

میزان کپیٹل پریزرویشن پلان -VIII

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 62 ملین روپے تھے، جو کہ 30 جون 2020 کو 64 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، پیئج مارک 1.26% شرح منافع کے مقابلے میں 2.68% شرح منافع دیا۔

میزان اسٹریٹجک ایلوکیشن فنڈ-III

میزان کپیٹل پریزرویشن پلان -IX

30 ستمبر 2020 کو پلان کے خالص اثاثہ جات 95 ملین روپے تھے، جو کہ 30 جون 2020 کو 89 ملین روپے تھے۔ پلان نے سہ ماہی کے دوران، پیئج مارک 7.77% شرح منافع کے مقابلے میں 8.18% شرح منافع دیا۔

میزان گولڈ فنڈ

30 ستمبر 2020 کو فنڈ کے خالص اثاثہ جات 511 ملین روپے رہے، جو کہ 30 جون 2020 کو 548 ملین روپے تھے، جو کہ 7% کی کمی ہے۔ 30 ستمبر 2020 کو مجموعی خالص اثاثہ جات کی نی یونٹ قدر و قیمت 88.5456 روپے رہی، جبکہ 30 جون 2020 کو نی یونٹ قدر و قیمت 84.1829 روپے تھی، اس طرح سہ ماہی کے دوران فنڈ نے پیئج مارک 6.05% شرح منافع کے مقابلے میں 5.18% کی شرح سے منافع دیا۔

میزان تحفظ پنشن فنڈ

میزان تحفظ پنشن فنڈ چار ذیلی فنڈز بنام ایکویٹی ذیلی فنڈ، ڈیبٹ ذیلی فنڈ، منی مارکیٹ ذیلی فنڈ اور گولڈ ذیلی فنڈ پر مشتمل ہے۔ 30 ستمبر 2020 کو ختم ہونے

والی سہ ماہی کے دوران ایکویٹی ذیلی فنڈ نے %17.76 اور گولڈ ذیلی فنڈ نے %6.25 منافع دیا، جبکہ ڈیبٹ اور منی مارکیٹ ذیلی فنڈ نے بالترتیب %13.68 اور %4.95 سالانہ منافع دیا۔ ہر ذیلی فنڈ کی کارکردگی کا جائزہ درج ذیل ہے :

ایکویٹی ذیلی فنڈ

30 ستمبر 2020 کو اس ذیلی فنڈ کے خالص اثاثہ جات 4,923 ملین روپے رہے، جو کہ 30 جون 2020 کو 4,131 ملین روپے تھے، جو کہ %19 اضافہ ہے۔ 30 ستمبر 2020 کے اختتام پر پلان کے مجموعی خالص اثاثہ جات کی نی یونٹ قدر و قیمت 471.1952 روپے رہی، جبکہ 30 جون 2020 کو 400.1482 روپے تھی۔ زیر جائزہ سہ ماہی کے دوران ایکویٹی ذیلی فنڈ نے 788 ملین روپے مجموعی منافع کمایا، جبکہ گزشتہ سال کے اسی عرصے کے دوران 228 ملین روپے کا خسارہ ریکارڈ کیا گیا تھا۔

ڈیبٹ ذیلی فنڈ

30 ستمبر 2020 کو اس ذیلی فنڈ کے خالص اثاثہ جات 3,458 ملین روپے رہے، جو کہ 30 جون 2020 کو 3,178 ملین روپے تھے، جو کہ %9 اضافہ ظاہر کرتا ہے۔ 30 ستمبر 2020 کے اختتام پر پلان کے مجموعی خالص اثاثہ جات کی نی یونٹ قدر و قیمت 270.9411 روپے رہی، جبکہ 30 جون 2020 کو 261.9128 روپے تھی۔ زیر جائزہ سہ ماہی کے دوران ڈیبٹ ذیلی فنڈ نے 130 ملین روپے مجموعی آمدنی حاصل کی، جو گزشتہ سال کی اسی سہ ماہی کے دوران 87 ملین روپے رہی تھی۔

منی مارکیٹ ذیلی فنڈ

30 ستمبر 2020 کو اس ذیلی فنڈ کے خالص اثاثہ جات 3,015 ملین روپے رہے، جو کہ 30 جون 2020 کو 3,092 ملین روپے تھے، جو کہ %2 کمی کو ظاہر کرتے ہیں۔ 30 ستمبر 2020 کے اختتام پر پلان کے مجموعی خالص اثاثہ جات کی نی یونٹ قدر و قیمت 260.5591 روپے رہی، جو کہ 30 جون 2020 کو 257.3454 روپے تھی۔ زیر جائزہ سہ ماہی کے دوران منی مارکیٹ ذیلی فنڈ نے 52 ملین روپے مجموعی آمدنی حاصل کی، جبکہ گزشتہ سال کی اسی سہ ماہی کے دوران 71 ملین روپے رہی تھی۔

گولڈ ذیلی فنڈ

30 ستمبر 2020 کو اس ذیلی فنڈ کے خالص اثاثہ جات 130 ملین روپے رہے، جو کہ 30 جون 2020 کو 119 ملین روپے تھے، جو کہ %8 کا اضافہ ہے۔ 30 ستمبر 2020 کے اختتام پر پلان کے مجموعی خالص اثاثہ جات کی نی یونٹ قدر و قیمت 168.2896 روپے رہی، جو کہ 30 جون 2020 کو 158.3880 روپے تھی۔ زیر جائزہ سہ ماہی کے دوران گولڈ ذیلی فنڈ نے 8 ملین روپے مجموعی آمدنی حاصل کی، جبکہ گزشتہ سال کی اسی سہ ماہی کے دوران 5 ملین روپے رہی تھی۔

توقعات

مالی سال '21 کی پہلی سہ ماہی کے دوران اشاریوں سے ظاہر ہوتا ہے کہ معاشی توقعات بہتر ہو رہی ہیں اور حکومت %2.1 معاشی نمو کا ہدف حاصل کر لے گی۔ مرکزی بینک بھی معاشی نمو کی ضرورت سے باخبر ہے اور معاشی نمو کو محرک دینے کے اقدامات کے ساتھ زری پالیسی کو بھی نرم کیا ہے۔ بینک دولت پاکستان کے مطابق، افراط زر میں اضافہ طلب میں دباؤ کے باعث ہے، کیونکہ ستمبر-20 کے دوران تیزی افراط زر محض %6.4 رہی۔ مجموعی طور پر ہم توقع رکھتے ہیں کہ آنے والے مہینوں میں افراط زر میں کچھ کمی آئے گی، جبکہ مالی سال کی آخری سہ ماہی کے دوران اس میں کچھ اضافہ ہو سکتا ہے، جس دوران شرح سود میں کچھ اضافہ متوقع ہے۔ جاری کھاتے کے اعداد و شمار توقعات سے بہتر آنے کے بعد، ہم نے امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر کو مضبوط ہوتے دیکھا جاسکتا ہے۔ حکومت نے آنے والے مہینوں میں یورو بانڈ اور سکوک بانڈز کے لیے بین الاقوامی بانڈ مارکیٹ میں جانے کا فیصلہ کیا ہے، جس سے پاکستانی روپے کو استحکام ملے گا۔ ایک اور اہم پیشرفت ایف اے ٹی ایف کا %21 تا %23 اکتوبر ہونے والے حتمی اجلاس کا فیصلہ ہوگی۔ اگرچہ ہم نے پاکستان میں گزشتہ چند ہفتوں کے دوران کورونا کیسز میں معمولی اضافہ دیکھا ہے، مجموعی طور پر اعداد و شمار کنٹرول میں ہیں۔ البتہ، یہ مطمئن ہونے کی کوئی وجہ

نہیں ہے، کیونکہ وبائی مرض میں کوئی بھی غیر معمولی اضافہ مارکیٹ اور عمومی طور پر معیشت کے لیے منفی اثرات لاسکتا ہے۔

بینک دولت پاکستان کی جانب سے کمرشل بینکوں کے اشتراک میں روشن ڈیجیٹل پاکستان اکاؤنٹ کا اجرا ایک بہت بڑا قدم ہے۔ یہ کھاتے، بیرون ملک رہنے والے تمام پاکستانیوں کو بینکاری کی تمام سہولیات فراہم کریں گے جو پاکستان میں بینکاری، ادائیگیاں اور سرمایہ کاری کرنا چاہتے ہیں۔ روشن ڈیجیٹل اکاؤنٹ، غیر ملکی پاکستانیوں کو پاکستان کے بینکاری نظام اور پے منٹ سسٹم کے ساتھ مکمل طور پر جوڑ دے گا اور وہ پاکستان اسٹاک مارکیٹ میں سرمایہ کاری کر سکیں گے۔ آگے بڑھتے ہوئے، حکومت مزید فیکسڈ اور فلوئنگ شرح پر اجارہ صکوک جاری کرنے کے لیے پرعزم ہے، جس سے مارکیٹ شراکت داروں کی پرکشش شرح منافع پر سرمایہ کاری کرنے کی صلاحیت میں اضافہ ہوگا۔ مزید برآں، ہم توقع رکھتے ہیں کہ کارپوریٹ سیکٹر، صکوک اور اسلامی کمرشل پیپرز کے ذریعے رقوم حاصل کرنے کا سلسلہ جاری رکھے گا۔ حکومت کا ادارہ جاتی سرمایہ کاروں کو قومی بچت اسکیموں میں شرکت سے روکنے کا فیصلہ مستقبل میں میوچل فنڈز کے لیے اچھا ثابت ہوگا۔ کم شرح سود کی توقعات، آگے جاتے ہوئے روپے کی قدر میں معمولی کمی اور معاشی نمو میں بہتری کی توقعات کے باعث وسط مدت میں اسٹاک مارکیٹ کو پھر سے سنبھلنے کا موقع فراہم کیا ہے۔ شرح سود میں قابل ذکر کمی نے حصص کی کشش کو بڑھا دیا ہے، جس کے بعد متوازی فیکسڈ انکم کی کشش میں کمی آئے ہے اور سرمایہ کاروں میں حصص بازار ترجیحی ایسیٹ کلاس بن گئی ہے۔ وبائی مرض میں بتدریج کمی کے بعد معاشی سرگرمیاں مقامی اور بین الاقوامی سطح پر بحال ہوئی ہیں، جس سے اس بات کا اندازہ ہوتا ہے کہ آنے والی سہ ماہیوں میں کارپوریٹ آمدنیوں میں بہتری آئے گی۔

اعتراف

ہم اس موقع کو غنیمت جانتے ہوئے اپنے گراں قدر سرمایہ کاروں سے ان کے لمیز ان انویسٹمنٹس پر بھروسہ کے لیے تشکر کا اظہار کرتے ہیں، جس کے باعث یہ پاکستان کے نجی شعبے میں سب سے بڑی ایسیٹ مینجمنٹ کمپنی بن گئی ہے۔ ہم ضابطہ کار، سیکیورٹیز اینڈ ایکس چینج کمیشن آف پاکستان اور ہمارے ٹرسٹی، سینٹرل ڈیپازٹری کمپنی آف پاکستان سے بھی ان کی بھرپور اعانت و مدد کے لیے اظہار تشکر کرتے ہیں۔ اسی طرح، میزان بینک کے اراکین شریعہ سپروائزری بورڈ کا بھی ان کے مسلسل تعاون اور فنڈ مینجمنٹ کے شریعہ سے متعلق پہلوؤں پر اعانت کے لیے بھی شکریہ ادا کرنا چاہیں گے۔

برائے و بجانب بورڈ

محمد شعیب، سی ایف اے

چیف ایگزیکٹو آفیسر

بتاریخ 21 اکتوبر 2020



Meezan
Islamic Fund

Meezan Islamic Fund (MIF)

Meezan Islamic Fund seeks to optimize total investor returns by participating in shariah compliant equities focusing on both capital gains and dividend income.

MANAGER OF
LARGEST
EQUITY FUND



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaikat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

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

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

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



MEEZAN ISLAMIC FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	1,901,250	1,755,340
Investments	6	28,393,922	23,381,047
Receivable against sale of investments		288,364	73,789
Receivable against conversion of units		178,002	82,856
Dividend receivable		147,205	52,314
Advances, deposits and other receivables		18,228	13,419
Total assets		<u>30,926,971</u>	<u>25,358,765</u>
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	91,406	32,677
Payable to Central Depository Company of Pakistan Limited - Trustee		2,964	2,349
Payable to Meezan Bank Limited		357	654
Payable to the Securities and Exchange Commission of Pakistan		1,442	5,024
Payable against redemption and conversion of units		184,529	116,155
Payable against purchase of investments		35,094	158,826
Dividend payable		-	152,480
Accrued expenses and other liabilities	8	781,723	818,415
Total liabilities		<u>1,097,515</u>	<u>1,286,580</u>
Net assets		<u>29,829,456</u>	<u>24,072,185</u>
Contingencies and commitments	9		
Unit holders' funds (as per statement attached)		<u>29,829,456</u>	<u>24,072,185</u>
		(Number of units)	
Number of units in issue		<u>543,369,729</u>	<u>514,682,160</u>
		(Rupees)	
Net asset value per unit		<u>54.8972</u>	<u>46.7710</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN ISLAMIC FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Note	September 30,	
		2020	2019
		(Rupees in '000)	
Income			
Net realised gain / (loss) on sale of investments		249,792	(412,515)
Dividend income		156,164	346,387
Profit on saving accounts with banks		30,245	46,536
		<u>436,201</u>	<u>(19,592)</u>
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1	4,079,365	(1,509,279)
		<u>4,515,566</u>	<u>(1,528,871)</u>
Total income / (loss)			
Expenses			
Remuneration of Al Meezan Investment Management Limited - Management Company	7	144,172	113,138
Sindh Sales Tax on management fee		18,742	14,708
Remuneration of Central Depository Company of Pakistan Limited - Trustee		7,461	5,908
Sindh Sales Tax on remuneration of the Trustee		970	768
Annual fee to the Securities and Exchange Commission of Pakistan		1,442	1,131
Auditors' remuneration		222	196
Charity expense		4,585	9,365
Fees and subscription		668	707
Legal and professional charges		-	160
Brokerage expense		9,891	3,903
Bank and settlement charges		924	615
Allocated expenses		7,209	5,657
Selling and marketing expense		28,834	22,628
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	85,809	-
		<u>310,929</u>	<u>178,884</u>
Total expenses			
		<u>4,204,637</u>	<u>(1,707,755)</u>
Net income / (loss) for the quarter before taxation			
Taxation	13	-	-
		<u>4,204,637</u>	<u>(1,707,755)</u>
Net income / (loss) for the quarter after taxation			
Allocation of net income for the quarter			
Net income for the period after taxation		4,204,637	-
Income already paid on units redeemed		(492,101)	-
		<u>3,712,536</u>	<u>-</u>
Accounting income available for distribution			
- Relating to capital gains		3,712,536	-
- Excluding capital gains		-	-
		<u>3,712,536</u>	<u>-</u>

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

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

Chief Executive

Chief Financial Officer

Director



MEEZAN ISLAMIC FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
	(Rupees in '000)	
Net income / (loss) for the quarter after taxation	4,204,637	(1,707,755)
Other comprehensive income for the quarter	-	-
Total comprehensive income / (loss) for the quarter	<u>4,204,637</u>	<u>(1,707,755)</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020			September 30, 2019			
	Capital Value	Accumul- ated loss / Undistrib- uted income	Over distribution	Total	Capital Value	Accumul- ated loss	Total
	Rupees in '000			Rupees in '000			
Net assets at the beginning of the quarter as previously reported (Audited)	26,641,970	(1,860,387)	(709,398)	24,072,185	27,600,726	(1,860,387)	25,740,339
Issue of 205,193,038 units (September 30, 2019: 81,152,457 units)							
- Capital value (at net asset value per unit at the beginning of the quarter)	9,597,084	-	-	9,597,084	3,889,110	-	3,889,110
- Element of income / (loss)	1,425,074	-	-	1,425,074	(314,669)	-	(314,669)
Total proceeds on issuance of units	11,022,158	-	-	11,022,158	3,574,441	-	3,574,441
Redemption of 176,505,469 units (September 30, 2019: 125,030,280 units)							
- Capital value (at net asset value per unit at the beginning of the quarter)	8,255,337	-	-	8,255,337	5,991,889	-	5,991,889
- Element of loss / (income)	722,086	492,101	-	1,214,187	(517,471)	-	(517,471)
Total payments on redemption of units	8,977,423	492,101	-	9,469,524	5,474,418	-	5,474,418
Total comprehensive income / (loss) for the quarter		4,204,637		4,204,637	-	(1,707,755)	(1,707,755)
Adjustment of over distribution	-	(709,398)	709,398	(709,398)	-	-	-
Net income / (loss) for the quarter less distribution	-	3,495,239	709,398	3,495,239	-	(1,707,755)	(1,707,755)
Net assets at the end of the quarter	28,686,705	1,142,751	-	29,829,456	25,700,749	(3,568,142)	22,132,607
Accumulated loss brought forward as previously reported (Audited)							
- Realised (loss) / income		(1,065,399)				5,520,342	
- Unrealised loss		(794,988)				(7,380,729)	
		(1,860,387)				(1,860,387)	
Adjustment of over distribution		(709,398)				-	
Accounting income available for distribution(after adjusting income already paid on units redeemed)							
- Relating to capital gains	3,712,536				-		
- Excluding capital gains	-				-		
	3,712,536				-		
Net loss for the quarter after taxation						(1,707,755)	
Undistributed income / (Accumulated loss) carried forward		<u>1,142,751</u>				<u>(3,568,142)</u>	
Undistributed income / (Accumulated loss) carried forward							
- Realised loss		(2,936,614)				(2,058,863)	
- Unrealised income / (loss)		4,079,365				(1,509,279)	
		<u>1,142,751</u>				<u>(3,568,142)</u>	
Net assets value per unit at the beginning of the quarter				(Rupees) 46.7710			(Rupees) 47.9235
Net assets value per unit at the end of the quarter				<u>54.8972</u>			<u>44.8723</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN ISLAMIC FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the quarter before taxation	4,204,637	(1,707,755)
Adjustments for:		
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(4,079,365)	1,509,279
	<u>125,272</u>	<u>(198,476)</u>
(Increase) / decrease in assets		
Investments - net	(933,510)	2,568,191
Receivable against sale of investments	(214,575)	98,602
Dividend receivable	(94,891)	(226,126)
Advances, deposits and other receivables	(4,809)	(9,334)
	<u>(1,247,785)</u>	<u>2,431,333</u>
(Decrease) / Increase in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	58,729	(15,611)
Payable to Central Depository Company of Pakistan Limited - Trustee	615	(498)
Payable to Meezan Bank Limited	(297)	(58)
Payable to the Securities and Exchange Commission of Pakistan	(3,582)	(31,229)
Payable against purchase of investments	(123,732)	(86,944)
Accrued expenses and other liabilities	(36,692)	2,384
	<u>(104,959)</u>	<u>(131,956)</u>
Net cash generated from operating activities	<u>(1,227,472)</u>	<u>2,100,901</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	10,927,012	3,615,164
Dividend Paid	(152,480)	-
Payment against redemption and conversion of units	(9,401,150)	(5,491,743)
Net cash used in financing activities	<u>1,373,382</u>	<u>(1,876,579)</u>
Net increase in cash and cash equivalents during the quarter	<u>145,910</u>	<u>224,322</u>
Cash and cash equivalents at the beginning of the quarter	1,755,340	1,340,974
Cash and cash equivalents at the end of the quarter	<u><u>1,901,250</u></u>	<u><u>1,565,296</u></u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Islamic 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 June 16, 2003 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 4, 2003 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations, 2008). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by 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. The Management Company has appointed Meezan Bank Limited (MBL) as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.
- 1.3** The Fund is an open-end fund listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorized as an Equity Scheme in accordance with Circular 7 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP).
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2019: AM1 dated December 28, 2018) and by PACRA dated June 26, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020.
- 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, 2020. 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, 2020.
- 4.3** 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, 2020. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
		(Rupees in '000)	
In current accounts		7,695	8,043
In saving accounts	5.1	<u>1,893,555</u>	<u>1,747,297</u>
		<u>1,901,250</u>	<u>1,755,340</u>

- 5.1** The balance in saving accounts have an expected profit ranging from 1.50% to 6.58% per annum (June 30, 2020: 1.50% to 7.50% per annum).

6. INVESTMENTS	Note	September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
		(Rupees in '000)	
Shares of listed companies - 'ordinary shares'	6.1	<u>28,393,922</u>	<u>23,381,047</u>

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2020	Purchases during the quarter	Bonus / Right issue	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to		
									Net assets of the Fund	Total market value of invest- ments	Paid-up capital of investee company (with face value of investment)
						(Rupees in '000)		%			
Sectors / companies											
Automobile assembler											
Honda Atlas Cars (Pakistan) Limited	179,000	-	-	150,000	29,000	5,617	7,509	1,892	0.03	0.03	0.02
Millat Tractors Company Limited	100,113	111,550	-	-	211,663	166,008	183,141	17,133	0.61	0.65	0.42
Indus Motor Company Limited	39,740	83,050	-	-	122,790	148,832	157,188	8,356	0.53	0.55	0.16
									1.16	1.23	0.60
Automobile parts and accessories											
Agriauto Industries Limited (note 6.1.1)	436,300	-	-	111,000	325,300	59,205	78,397	19,192	0.26	0.28	1.13
									0.26	0.28	1.13
Chemicals											
Engro Polymer & Chemicals Limited	15,913,721	5,799,500	-	1,050,000	20,663,221	590,360	831,901	241,541	2.79	2.93	2.27
ICI Pakistan Limited	1,109,985	37,000	-	7,000	1,139,985	793,622	824,882	31,260	2.77	2.91	1.23
Lotte Chemical Pakistan Limited	6,661,000	50,000	-	-	6,711,000	66,848	80,532	13,684	0.27	0.28	0.44
Ittehad Chemicals Limited	117,500	-	-	-	117,500	3,096	3,242	146	0.01	0.01	0.14
Sitara Chemicals Industries Limited	30,500	-	-	-	30,500	8,452	9,811	1,359	0.03	0.03	0.14
Sitara Peroxide Limited	157,000	-	-	157,000	-	-	-	-	-	-	-
									5.87	6.16	4.23

Name of the investee company	As at July 1, 2020	Purchases during the quarter	Bonus / Right issue	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to		
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)
Number of shares						(Rupees in '000)			%		
Cement											
Attock Cement Company Limited	270,200	165,200	-	-	435,400	62,201	66,477	4,276	0.22	0.23	0.32
Cherat Cement Company Limited	2,724,100	-	-	938,000	1,786,100	155,694	208,545	52,851	0.70	0.73	0.92
D.G. Khan Cement Company Limited	3,557,500	500,000	-	770,000	3,287,500	286,444	338,974	52,530	1.14	1.19	0.75
Fauji Cement Company Limited	2,550,000	1,500,000	-	820,500	3,229,500	56,993	64,202	7,209	0.22	0.23	0.23
Kohat Cement Company Limited	4,488,850	75,000	-	-	4,563,850	628,523	779,232	150,709	2.61	2.74	2.27
Lucky Cement Limited	3,798,203	485,380	-	90,000	4,193,583	2,010,620	2,713,542	702,922	9.10	9.56	1.30
Maple Leaf Cement Factory Limited	13,447,000	4,500,000	-	650,000	17,297,000	471,012	620,789	149,777	2.08	2.19	1.57
									16.06	16.88	7.36
Paper and Board											
Cherat Packaging Limited	276,747	100	-	50,000	226,847	26,575	40,358	13,783	0.14	0.14	0.53
Century Paper & Board Mills Limited	348,600	1,607,000	-	100	1,955,500	160,622	217,510	56,888	0.73	0.77	1.33
Roshan Packages Limited	200,000	461,000	-	-	661,000	21,364	22,923	1,559	0.08	0.08	0.47
Packages Limited	1,421,953	28,000	-	-	1,449,953	505,001	728,355	223,354	2.44	2.57	1.62
									3.37	3.55	3.95
Technology and communication											
Avanceon Limited	739,630	2,775,000	-	950,000	2,564,630	142,506	172,394	29,888	0.58	0.61	1.21
Netsol Technologies Limited	142,600	-	-	142,600	-	-	-	-	-	-	-
TPL tracker limited	-	3,564,000	-	1,641,000	1,923,000	23,076	19,999	(3,077)	0.07	0.07	1.03
Pakistan Telecommunication Company Limited "A"	800,000	14,112,000	-	1,700,000	13,212,000	141,714	142,822	1,108	0.48	0.50	0.35
Systems Limited	2,384,900	52,600	-	75,000	2,362,500	440,161	642,695	202,534	2.15	2.26	1.91
									3.29	3.43	4.50
Commercial Banks											
Meezan Bank Limited (an associate of the Fund)	12,075,097	937,000	1,258,209	430,000	13,840,306	883,414	1,137,812	254,398	3.81	4.01	0.98
BankIslami Pakistan Limited	6,447,500	-	-	1,500,000	4,947,500	37,403	51,009	13,606	0.17	0.18	0.45
									3.98	4.20	1.43
Oil and Gas Marketing Companies											
Attock Petroleum Limited	906,334	-	-	-	906,334	276,613	309,495	32,882	1.04	1.09	0.91
Hascol Petroleum Limited (note 6.2)	13,533,361	1,327,500	-	5,600,000	9,260,861	132,956	186,884	53,928	0.63	0.66	0.93
Hi-Tech Lubricants Limited	305,000	884,500	-	-	1,189,500	46,436	50,578	4,142	0.17	0.18	1.03
Shell Pakistan Limited	-	165,000	-	20,000	145,000	36,930	35,592	(1,338)	0.12	0.13	0.14
Pakistan State Oil Company Limited (note 6.2)	4,861,259	1,360,355	-	220,000	6,001,614	1,002,077	1,201,523	199,446	4.03	4.23	1.28
Sui Southern Gas Pipelines Limited	745,000	-	-	-	745,000	9,938	12,591	2,653	0.04	0.04	0.08
Sui Northern Gas Pipelines Limited	10,100,300	650,000	-	4,034,500	6,715,800	369,895	415,104	45,209	1.39	1.46	1.06
									7.40	7.79	5.42
Oil and Gas Exploration Companies											
Oil and Gas Development Company Limited	17,271,568	700,000	-	1,732,984	16,238,584	1,773,812	1,682,317	(91,495)	5.64	5.92	0.38
Pakistan Oilfields Limited	2,647,522	-	-	35,000	2,612,522	916,029	1,100,734	184,705	3.69	3.88	0.92
Pakistan Petroleum Limited	16,327,428	4,432,053	-	1,558,805	19,200,676	1,722,832	1,767,614	44,782	5.93	6.23	0.71
Mari Petroleum Company Limited (note 6.2)	2,020,667	-	-	61,200	1,959,467	2,423,175	2,683,529	260,354	9.00	9.45	1.47
									24.26	25.48	3.47
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	69,050	-	-	-	69,050	45,780	52,936	7,156	0.18	0.19	0.07
AGP Limited	5,266,500	45,000	-	-	5,311,500	583,068	578,954	(4,114)	1.94	2.04	1.90
Glaxo Smithkline Pakistan Limited	5,816	-	-	-	5,816	1,012	1,068	56	0.00	0.00	-
Glaxo Smithkline Consumer Healthcare Products Limited	374,656	-	-	10,000	364,656	99,070	105,626	6,556	0.35	0.37	0.31
Ferozsons Laboratories Limited	-	100,000	-	80,000	20,000	7,838	7,953	115	0	0	0
Highnoon Laboratories Limited (note 6.2)	49,877	-	-	15,550	34,327	17,207	21,077	3,870	0.07	0.07	0.10
The Searle Company Limited (note 6.2)	2,761,879	285,500	-	60,500	2,986,879	614,331	765,567	151,236	2.57	2.70	1.41
									5.14	5.40	3.85
Power Generation and Distribution											
The Hub Power Company Limited	20,884,921	-	-	7,617,586	13,267,335	961,882	1,040,955	79,073	3.49	3.67	1.02
K - Electric Limited (note 6.1.1)	159,270,500	2,000,000	-	937,000	160,333,500	485,029	675,004	189,975	2.26	2.38	0.58
									5.75	6.04	1.60
Fertilizer											
Engro Corporation Limited (note 6.1.2)	7,873,573	318,869	-	599,671	7,592,771	2,231,226	2,285,652	54,426	7.66	8.05	1.32
Engro Fertilizers Limited	16,475,252	1,150,000	-	-	-	-	-	4,898	3.45	3.62	1.27
									11.11	11.67	2.58

Name of the investee company	As at July 1, 2020	Purchases during the quarter	Bonus / Right issue	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to			
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)	
						Number of shares			(Rupees in '000)			
									%			
Engineering												
Amreli Steels Limited	121,500	-	-	121,500	-	-	-	-	-	-	-	-
International Industries Limited	1,713,140	135,000	-	180,000	1,668,140	162,204	241,780	79,576	0.81	0.85	1.26	
International Steel Limited	5,537,800	350,000	-	528,500	5,359,300	284,906	412,880	127,974	1.38	1.45	1.23	
Mughal Iron & Steel Industries Limited	2,528,500	527,500	-	-	3,056,000	131,959	196,440	64,481	0.66	0.69	1.21	
K.S.B. Pumps Company Limited	73,700	-	-	35,000	38,700	5,573	12,237	6,664	0.04	0.04	0.30	
									2.89	3.04	4.01	
Food and Personal Care Products												
Al-Shaheer Corporation Limited (note 6.2)	61,463	-	-	-	61,463	703	1,178	475	0.00	0.00	0.03	
Al-Tahir Limited	120,045	-	-	-	120,045	2,068	2,539	471	0.01	0.01	0.07	
Friesland Campina Engro Pakistan Limited (Formerly Engro Foods Limited)	-	-	-	-	-	-	-	-	-	-	-	
National Foods Limited (note 6.1.1)	203,320	-	-	-	203,320	50,921	58,072	7,151	0.19	0.20	0.14	
									0.21	0.22	0.23	
Vanaspati & Allied Industries												
Unity Foods Limited	2,648,846	-	-	2,648,846	-	-	-	-	-	-	-	
Glass and Ceramics												
Tariq Glass Industries Limited	527,750	-	-	527,750	-	-	-	-	-	-	-	
Ghani Glass Limited	866,000	-	-	-	866,000	35,636	45,214	9,578	0.15	0.16	0.16	
									0.15	0.16	0.16	
Miscellaneous												
Shifa International Hospital Limited	-	65,000	-	-	65,000	16,628	14,479	(2,149)	0.05	0.05	0.10	
Synthetic Products Limited	-	1,345,000	-	-	1,345,000	63,555	59,933	(3,622)	0.20	0.21	1.52	
									0.25	0.26	1.62	
Textile Composite												
Feroze1888 Mills Limited	1,704,600	5,000	-	410,500	1,299,100	106,381	135,964	29,583	0.46	0.48	0.34	
Interloop Limited	8,917,500	897,000	-	525,000	9,289,500	423,202	622,861	199,659	2.09	2.19	1.07	
Kohinoor Textile Mills Limited (note 6.2)	244,014	-	-	205,000	39,014	1,385	2,111	726	0.01	0.01	0.01	
Nishat Mills Limited	3,625,600	670,500	-	-	4,296,100	352,803	434,208	81,405	1.46	1.53	1.22	
									4.01	4.21	2.65	
Total as at September 30, 2020						24,314,557	28,393,922	4,079,365				
Total as at June 30, 2020						24,176,035	23,381,047	(794,988)				

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of Agriauto Industries Limited and National Foods Limited which have a nominal value of Rs 5 each and K-Electric Limited which have a nominal value of Rs 3.5 each.

6.1.2 Investments include 1,060,000 shares of Engro Corporation Limited, having market value of Rs 319.092 million as at September 30, 2020 (June 30, 2020: Rs. 310.50 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

6.2 The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2020. As at September 30, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 60.199 million (June 30, 2020: Rs. 49.076 million).

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
		(Rupees in '000)	
Management fee payable	7.1	51,003	5,286
Sindh Sales Tax payable on remuneration of Management Company		6,630	687
Allocated expenses payable	7.2	2,550	2,016
Selling and marketing expenses payable	7.3	28,835	23,914
Sales load payable		2,113	685
Sindh Sales Tax on sales load payable		275	89
		91,406	32,677

- 7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (2019: 2%) per annum of the average net assets of the Fund during the year ended June 30, 2020. The remuneration is payable to the Management Company monthly in
- 7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

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

- 7.3 The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 22, 2019 the Management Company, based on its own discretion has charged selling and marketing expense at 0.4% of the average annual net assets of the Fund which has also been approved by the Board.

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	437,512	351,703
Charity payable		39,327	34,497
Withholding tax payable		-	922
Capital gain tax payable		20,237	4,328
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee		231,867	231,867
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load		32,607	32,607
Auditors' remuneration		152	480
Withholding tax payable on Dividend		-	142,432
Zakat payable		156	31
Printing expenses payable		483	483
Shariah advisory fee payable		1,409	2,041
Brokerage payable		17,973	17,024
		<u>781,723</u>	<u>818,415</u>

- 8.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Sindh Workers' Welfare Fund not been made, the net asset value per unit as at September 30, 2020 would have been higher by Re. 0.81 per unit (June 30, 2020: Re. 0.68 per unit)
- 8.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Federal Excise Duty not being made, the net asset value per unit as at September 30, 2020 would have been higher by Re. 0.49 (June 30, 2020: Re. 0.51) per unit.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

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

Transactions with connected persons 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.

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

	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	(Rupees in '000)	
AI Meezan Investment Management Limited - the Management Company		
Remuneration payable	51,003	5,286
Sindh Sales Tax on management fee payable	6,630	687
Sales load payable	2,113	685
Sindh Sales Tax and on sales load payable	275	89
Allocated expenses	2,550	2,016
Selling and marketing expense payable	28,835	23,914
Investment of 1,147,108 units (June 30, 2020: 4,997,648 units)	62,973	233,745
Meezan Bank Limited		
Balance with bank	198,094	282,156
Profit receivable on saving accounts	74	87
Sales load payable	316	579
Sindh Sales Tax on sales load payable	41	75
Investment in 13,840,306 shares (June 30, 2020: 12,075,097 shares)	1,137,812	831,370
Investment of 12,475,049 units (June 30, 2020: 12,475,049 units)	684,845	583,471
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	2,623	2,079
Sindh Sales Tax on trustee fee payable	341	270
Security deposit	100	100
AI Meezan Investment Management Limited - Employees' Gratuity Fund		
Investment of 189,837 units (June 30, 2020: 189,837 units)	10,422	8,879
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Investment of 4,276,547 units (June 30, 2020: 4,834,002 units)	234,770	226,091
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Investment of 1,333,580 units (June 30, 2020: 1,412,939 units)	73,210	66,085
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Investment of 679,532 units (June 30, 2020: 880,333 units)	37,304	41,174
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment: 1,669,437 units (June 30, 2020: 1,984,595 units)	91,647	92,821
Meezan Strategic Allocation Fund - MSAP - I		
Investment of 4,174,148 units (June 30, 2020: 5,317,944 units)	229,149	248,726
Meezan Strategic Allocation Fund - MSAP - II		
Investment of 2,190,324 units (June 30, 2020: 3,124,685 units)	120,243	146,145
Meezan Strategic Allocation Fund - MSAP - III		
Investment of 4,379,908 units (June 30, 2020: 9,045,806 units)	240,445	423,081
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of 455,035 units (June 30, 2020: 7,145,017 units)	24,980	334,180
Meezan Strategic Allocation Fund - MSAP - V		
Investment of 776,835 units (June 30, 2020: 2,205,831 units)	42,646	103,169
Directors and executives of the Management Company		
Investment of 10,369,767 units (June 30, 2020: 11,924,793 units)	569,271	557,734

	September 30,	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
Transactions during the period		
AI Meezan Investment Management Limited - the Management Company		
Remuneration for the period	144,172	113,138
Sindh Sales Tax on management fee	18,742	14,708
Allocated expenses	7,209	5,657
Selling and marketing expense	28,834	22,628
Units issued: 1,589,044 units (September 30, 2019: 1,721,601 units)	85,000	75,000
Units redeemed: 5,439,583 units (September 30, 2019: 7,395,662 units)	284,482	317,300
Meezan Bank Limited		
Profit on saving accounts	334	1,523
Shares purchased: 937,000 shares (September 30, 2019: nil)	271,457	-
Shares sold: 430,000 shares (September 30, 2019: 78,500 shares)	68,331	5,913
Bonus issue: 1,258,209 shares (September 30, 2019: nil)	-	-
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee	7,461	5,908
Sindh Sales Tax on trustee fee	970	768
CDS charges	226	189
Meezan Financial Planning Fund of Funds		
- Aggressive Allocation Plan		
Units issued: 60,948 units (September 30, 2019: nil)	3,375	-
Units redeemed: 618,403 units (September 30, 2019: 105,747 units)	32,625	4,500
Meezan Financial Planning Fund of Funds		
- Moderate Allocation Plan		
Units issued: 145,099 units (September 30, 2019: nil)	8,000	-
Units redeemed: 224,458 units (September 30, 2019: 626,124 units)	11,680	29,000
Meezan Financial Planning Fund of Funds		
- Conservative Allocation Plan		
Units redeemed: 200,801 units (September 30, 2019: 211,044 units)	10,475	9,250
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 111,351 units (September 30, 2019: nil)	6,000	-
Units redeemed: 426,509 units (September 30, 2019: 143,778 units)	22,500	6,700
Meezan Strategic Allocation Fund - MSAP - I		
Units issued: 212,097 units (September 30, 2019: nil)	12,000	-
Units redeemed: 1,355,893 units (September 30, 2019: 1,830,805 units)	74,000	77,760
Meezan Strategic Allocation Fund - MSAP - II		
Units issued: 97,211 units (September 30, 2019: nil)	5,000	-
Units redeemed: 1,031,572 units (September 30, 2019: 215,901 units)	54,500	9,810
Meezan Strategic Allocation Fund - MSAP - III		
Units issued: 174,979 units (September 30, 2019: 35,073 units)	9,000	1,600
Units redeemed: 4,840,878 units (September 30, 2019: 945,552 units)	258,500	41,010
Meezan Strategic Allocation Fund - MSAP - IV		
Units issued: 208,562 units (September 30, 2019: nil)	11,000	-
Units redeemed: 6,898,544 units (September 30, 2019: 1,766,420 units)	369,700	77,790
Meezan Strategic Allocation Fund - MSAP - V		
Units issued: 28,280 units (September 30, 2019: nil)	1,500	-
Units redeemed: 1,457,276 units (September 30, 2019: 990,972 units)	78,800	42,340
Directors and executives of the Management Company		
Units issued: 82,831 units (September 30, 2019: 5,526,758 units)	4,437	241,514
Units redeemed: 1,637,858 units (September 30, 2019: 113,366 units)	84,311	5,152

11. 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.

11.1 Fair value hierarchy

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

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

As at September 30, 2020 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

	As at September 30, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			

Financial assets 'at fair value through profit or loss'

Shares of listed companies - 'ordinary shares'	28,393,922	-	-	28,393,922
--	------------	---	---	------------

	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			

Financial assets 'at fair value through profit or loss'

Shares of listed companies - 'ordinary shares'	23,381,047	-	-	23,381,047
--	------------	---	---	------------

12. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2020 is 3.42% which includes 0.61% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, Sales Taxes, Federal Excise Duties, Annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Equity Scheme.

13. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. the Fund 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, 2021 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Mutual Fund

Al Meezan Mutual Fund (AMMF)

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

LARGEST FUND MANAGER
IN PAKISTAN WITH AUMS
OF OVER **150 BILLION**



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

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

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**AL MEEZAN MUTUAL FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT SEPTEMBER 30, 2020**

		September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Assets			
Balances with banks	5	275,293	259,646
Investments	6	4,280,903	3,782,362
Receivable against sale of investments		52,823	16,861
Receivable against conversion of units		17,924	21,337
Dividend receivable		23,527	9,316
Advances, deposits and other receivable		2,903	3,025
Total assets		4,653,375	4,092,547
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	13,923	5,351
Payable to Central Depository Company of Pakistan Limited - Trustee		534	455
Payable to Securities and Exchange Commission of Pakistan		228	853
Payable to Meezan Bank Limited		16	20
Payable against purchase of investments		4,188	9,988
Payable against conversion and redemption of units		27,969	23,718
Dividend payable		4,917	19,572
Accrued expenses and other liabilities	8	123,795	119,253
Total liabilities		175,570	179,210
Net assets		4,477,805	3,913,337
Unitholders' fund (as per statement attached)		4,477,805	3,913,337
Contingencies And Commitments	9		
Number of units in issue		289,449,373	293,846,741
		(Rupees)	
Net assets value per unit		15.4701	13.3176

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

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

Chief Executive

Chief Financial Officer

Director

**AL MEEZAN MUTUAL FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Note	September 30,	
		2020	2019
		(Rupees in '000)	
Income			
Net realised gain / (loss) on sale of investments		73,611	(84,794)
Dividend income		25,744	57,628
Profit on saving accounts with banks		4,235	6,256
		<u>103,589</u>	<u>(20,911)</u>
Net unrealised appreciation / (diminution) on re-measurement of investments classified as "financial assets at fair value through profit or loss"	6.1	584,183	(246,454)
Total income / (loss)		<u>687,772</u>	<u>(267,364)</u>
Expenses			
Remuneration to Al Meezan Investment Management Limited - Management Company	7.1	22,752	20,224
Sindh Sales Tax on management fee		2,958	2,629
Allocated expenses	7.2	1,138	1,011
Remuneration to Central Depository Company of Pakistan Limited - Trustee		1,390	1,263
Sindh Sales Tax on trustee fee		181	164
Annual fee to Securities and Exchange Commission of Pakistan		228	212
Auditors' remuneration		253	192
Charity expense		742	1,596
Fees and subscription		61	162
Brokerage expense		1,986	397
Selling and marketing expenses	7.3	4,550	4,045
Bank and settlement charges		149	164
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	13,028	-
Total expenses		<u>49,416</u>	<u>32,059</u>
Net income / (loss) for the quarter before taxation		<u>638,356</u>	<u>(299,424)</u>
Taxation	13	-	-
Net income / (loss) for the quarter after taxation		<u>638,356</u>	<u>(299,424)</u>
Allocation of net income for the quarter			
Net income for the quarter after taxation		638,356	-
Income already paid on units redeemed		(53,203)	-
		<u>585,152</u>	<u>-</u>
Accounting income available for distribution			
- Relating to capital gains		585,152	-
- Excluding capital gains		-	-
		<u>585,152</u>	<u>-</u>

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

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

Chief Executive

Chief Financial Officer

Director



AL MEEZAN MUTUAL FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
	(Rupees in '000)	
Net income / (loss) for the quarter after taxation	638,356	(299,424)
Other comprehensive income for the quarter	-	-
Total comprehensive income / (loss) for the quarter	638,356	(299,424)

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

AL MEEZAN MUTUAL FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	2020			2019			
	Capital Value	(Accumulated (loss) / Undistributed income)	Over Distribution	Total	Capital Value	Accumulated loss	Total
	(Rupees in '000)			(Rupees in '000)			
Net assets at the beginning of the quarter	4,045,463	(109,627)	(22,499)	3,913,337	4,877,433	(109,627)	4,767,806
Issuance of 61,338,188 units (2019: 27,193,977 units)							
- Capital value (at net asset value per unit at the beginning of the quarter)	816,878	-	-	816,878	363,145	-	363,145
- Element of income / (loss)	111,765	-	-	111,765	(28,855)	-	(28,855)
Total proceeds on issuance of units	928,643	-	-	928,643	334,289	-	334,289
Redemption of 65,735,556 units (2019: 73,447,441 units)							
- Capital value (at net asset value per unit at the beginning of the quarter)	875,440	-	-	875,440	980,811	-	980,811
- Element of income / (loss)	73,888	53,203	-	127,091	(80,579)	-	(80,579)
Total payments on redemption of units	949,327	53,203	-	1,002,531	900,232	-	900,232
Total comprehensive income / (loss) for the quarter	-	638,356	-	638,356	-	(299,424)	(299,424)
Adjustment of over-distribution	-	(22,499)	22,499	-	-	-	-
Income for the quarter after adjustment	-	615,857	-	-	-	(299,424)	-
Net assets at end of the quarter	4,024,779	453,026	-	4,477,805	4,311,491	(409,051)	3,902,440
Accumulated loss brought forward							
- Realised (loss) / income		(77,132)				1,197,928	
- Unrealised loss		(32,495)				(1,307,555)	
		(109,627)				(109,627)	
Adjustment of over-distribution		(22,499)				-	
Accounting income available for distribution(after adjusting income already paid on units redeemed)							
- Relating to capital gains	585,152						
- Excluding capital gains	-						
	585,152						
Net loss for the quarter after taxation		-				(299,424)	
Undistributed income / (Accumulated losses) carried forward		453,026				(409,051)	
Undistributed income / (Accumulated losses) carried forward							
-Realised loss		(131,156)				(162,597)	
-Unrealised income / (loss)		584,183				(246,454)	
		453,026				(409,051)	
		(Rupees)				(Rupees)	
Net assets value per unit at beginning of the quarter	13.3176				13.3539		
Net assets value per unit at end of the quarter	15.4701				12.5569		

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**AL MEEZAN MUTUAL FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30,	
	2020	2019
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the quarter before taxation	638,356	(299,424)
Adjustments for:		
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	<u>(584,183)</u>	<u>246,454</u>
	54,173	(52,970)
Decrease / (increase) in assets		
Investments - net	85,642	684,453
Receivable against sale of investments	(35,962)	12,373
Dividend receivable	(14,211)	(31,416)
Advances, deposits and other receivable	122	1,402
	35,590	666,812
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	8,572	(3,480)
Payable to Central Depository Company of Pakistan Limited - Trustee	79	353
Payable to Meezan Bank Limited	(4)	12
Payable to Securities and Exchange Commission of Pakistan	(625)	(5,740)
Payable against purchase of investments - net	(5,800)	4,217
Accrued expenses and other liabilities	4,542	(3,205)
	6,764	(7,844)
Net cash generated from operating activities	<u>96,526</u>	<u>605,998</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	932,055	344,207
Payment against redemption and conversion of units	(998,279)	(916,569)
Dividend Paid	(14,655)	-
Net cash used in financing activities	<u>(80,879)</u>	<u>(572,362)</u>
Net increase in cash and cash equivalents during the quarter	<u>15,647</u>	<u>33,636</u>
Cash and cash equivalents at the beginning of the quarter	259,646	271,162
Cash and cash equivalents at the end of the quarter	<u><u>275,293</u></u>	<u><u>304,798</u></u>

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

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

Chief Executive

Chief Financial Officer

Director

**AL MEEZAN MUTUAL FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Al Meezan Mutual Fund (the Fund) was constituted by virtue of a scheme of arrangement for conversion of Al Meezan Mutual Fund Limited (AMMFL) into an Open End Scheme under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on June 17, 2011 in accordance with the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, (the NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and 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 provide the unitholders safe and stable stream of halal income on their investments and to generate superior long-term risk adjusted returns. The Fund shall also keep an exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns, if available, at any given point of time. The objective of the Fund is to provide the maximum total return to the unitholders from investment in "Shariah Compliant" equity investments for the given level of risk, while abiding by the regulations and any other prevailing rules and regulations. At least seventy percent of its net assets shall remain invested in listed equity securities during the year based on quarterly average investment calculated on daily basis. The remaining net assets shall be invested in cash and near cash instruments. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open-end fund listed on the Pakistan Stock Exchange Limited. Units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorized as an Equity Scheme.
- 1.4 The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2019 (2019: AM1 dated December 28, 2018) and by PACRA dated June 26, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the 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 VIII A 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020
- 4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. 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, 2020.
- 4.3 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, 2020. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
In saving accounts	5.1	326,297	249,528
In current accounts		<u>(51,004)</u>	<u>10,118</u>
		<u>275,293</u>	<u>259,646</u>

5.1 The balance in saving accounts have an expected profit ranging from 1.50% to 6.25% per annum (June 30, 2020: 2.00% to 7.50% per annum).

6. INVESTMENTS	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Shares of listed companies - ordinary shares	6.1	4,280,903	3,782,362
		<u>4,280,903</u>	<u>3,782,362</u>

6.1 Investments in equity securities - listed

Name of the investee company	As at July 1, 2020	Purchases during the quarter	Bonus / right shares	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market Value as at September 30, 2020	Unrealised (diminution) / appreciation as at September 30, 2020	Percentage in relation to			
									Net assets of the fund on the basis of market value (note 6.1.3)	Market value of total investment	Paid-up capital of investee company (with face value of investment)	
						(Number of shares)	(Rupees in '000)	%				
Sectors / companies												
Automobile Assembler												
Ghandhara Industries Limited	2,200	-	-	-	2,200	266	518	252	0.01	0.01	0.01	
Honda Atlas Cars (Pakistan) Ltd	31,300	-	-	31,000	300	58	78	20	0.00	0.00	-	
Indus Motor Company Ltd	35,640	-	-	-	35,640	35,461	45,624	10,163	1.02	1.07	0.05	
Millat Tractors Limited	9,675	23,000	-	-	32,675	26,862	28,272	1,410	0.63	0.66	0.07	
									1.66	1.74	0.13	
Automobile Parts and Accessories												
Agriauto Industries Ltd (note 6.1.1)	75,000	-	-	30,000	45,000	8,190	10,845	2,655	0.24	0.25	0.16	
									0.24	0.25	0.16	
Commercial Banks												
BankIslami Pakistan Ltd	432,000	-	-	100,000	332,000	2,510	3,423	913	0.08	0.08	0.03	
Meezan Bank Limited (an associate of the Fund)	1,349,050	255,000	154,905	55,000	1,703,955	110,933	140,082	29,149	3.13	3.27	0.12	
									3.20	3.35	0.15	
Cement												
Cherat Cement Co.Ltd	-	125,000	-	100,000	25,000	2,826	2,919	93	0.07	0.07	0.01	
D.G. Khan Cement Company Limited	799,500	190,000	-	320,000	669,500	59,453	69,032	9,579	1.54	1.61	0.15	
Fauji Cement Co.Ltd.	45,000	-	-	-	45,000	760	895	135	0.02	0.02	-	
Kohat Cement Company Limited	673,020	80,000	-	25,000	728,020	101,429	124,302	22,874	2.78	2.90	0.36	
Lucky Cement Company Limited	648,067	-	-	15,000	633,067	292,211	409,639	117,428	9.15	9.57	0.20	
Maple Leaf Cement Company Limited	1,971,577	850,000	-	110,000	2,711,577	74,685	97,318	22,633	2.17	2.27	0.25	
Attock Cement Pakistan Limited	-	75,000	-	-	75,000	12,600	11,451	(1,149)	0.26	0.27	0.05	
									15.98	16.72	1.02	
Chemicals												
Engro Polymer and Chemicals Limited	2,318,041	670,000	-	215,000	2,773,041	78,338	111,643	33,305	2.49	2.61	0.31	
ICI Pakistan Limited	204,679	5,500	-	10,000	200,179	139,495	144,848	5,352	3.23	3.38	0.22	
Lotte Chemical Pakistan Ltd.	65,000	-	-	-	65,000	647	780	133	0.02	0.02	-	
Ittehad Chemical Ltd.	216,000	-	-	-	216,000	5,692	5,959	268	0.13	0.14	0.26	
Sitara Peroxide Limited	400,000	-	-	400,000	-	-	-	-	-	-	-	
Sitara Chemical Industries Limited	57,000	-	-	-	57,000	15,795	18,335	2,539	0.41	0.43	0.27	
									6.29	6.58	1.06	
Engineering												
Int. Ind.Ltd	221,300	-	-	76,000	145,300	13,328	21,060	7,731	0.47	0.49	0.11	
International Steel Limited	726,500	-	-	381,000	345,500	17,845	26,617	8,772	0.59	0.62	0.08	
Mughal Iron & Steel Industries	1,000	370,000	-	-	371,000	19,929	23,848	3,919	0.53	0.56	0.15	
									1.60	1.67	0.34	
Fertilizer												
Engro Corporation Limited (note 6.1.2)	1,283,790	55,000	-	104,000	1,234,790	362,506	371,709	9,202	8.30	8.68	0.21	
Fatima Fertilizer Co Ltd.	287,000	-	-	287,000	-	-	-	-	-	-	-	
Engro Fertilizers Limited	2,374,500	360,000	-	430,000	2,304,500	140,297	140,160	(137)	3.13	3.27	0.17	
									11.43	11.96	0.38	
Food and Personal Care Products												
Al-Shaheer Corporation Limited	12,511	-	-	-	12,511	143	240	97	0.01	0.01	0.01	
National foods (note 6.1.1)	4,920	-	-	-	4,920	1,232	1,405	173	0.03	0.03	0.01	
									0.04	0.04	0.02	
Glass & Ceramics												
Ghani Glass Ltd.	227,500	-	-	-	227,500	9,362	11,878	2,516	0.27	0.28	0.04	
Tariq Glass Industries Ltd	29,800	-	-	29,800	-	-	-	-	-	-	-	
									0.27	0.28	0.04	

Name of the investee company	As at July 1, 2020	Purchases during the quarter	Bonus / right shares	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market Value as at September 30, 2020	Unrealised (diminution) / appreciation as at September 31, 2020	Percentage in relation to		
									Net assets of the fund on the basis of market value (note 6.1.3)	Market value of total investment	Paid-up capital of investee company (with face value of investment)
					(Number of shares)	(Rupees in '000)	%				
Miscellaneous											
Shifa International Hospitals Limited	-	40,000	-	-	40,000	10,181	8,910	(1,271)	0.20	0.21	0.06
Synthetic Products Enterprises Limited	-	301,000	-	-	301,000	14,530	13,413	(1,117)	0.30	0.31	0.34
									0.50	0.52	0.40
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited	320,881	-	-	10,000	310,881	384,451	425,758	41,307	9.51	9.95	0.23
Oil and Gas Development Company Limited	3,029,388	-	-	292,000	2,737,388	298,375	283,593	(14,782)	6.33	6.62	0.06
Pakistan State Oil Company Limited	487,929	-	-	122,500	365,429	128,130	153,966	25,836	3.44	3.60	0.13
Pakistan Petroleum Limited	2,587,913	478,000	-	335,550	2,730,363	242,300	251,357	9,058	5.61	5.87	0.10
									9.05	26.04	0.52
Oil & Gas Marketing Companies											
Attock Petroleum Limited	172,338	16,000	-	28,200	160,138	49,075	54,684	5,608	1.22	1.28	0.16
Hascol Petroleum Limited	2,081,375	200,000	-	1,125,000	1,156,375	17,195	23,336	6,141	0.52	0.55	0.12
Pakistan State Oil Company Limited	822,688	140,000	-	50,000	912,688	150,737	182,720	31,983	4.08	4.27	0.19
Hi-Tech Lubricants Limited	85,000	50,000	-	50,000	85,000	3,313	3,614	301	0.08	0.08	0.07
Shell Pakistan Ltd.	23,700	45,500	-	-	69,200	16,217	16,986	769	0.38	0.40	0.06
Sui Northern Gas Pipeline Limited	1,879,000	50,000	-	455,000	1,474,000	80,681	91,108	10,427	2.03	2.13	0.23
									8.32	8.70	0.83
Paper and Board											
Cherat Packaging Limited	125,180	-	-	125,000	180	21	32	11	0.00	0.00	-
Century Paper & Board Mills	350,000	210,500	-	-	560,500	44,430	62,344	17,915	1.39	1.46	0.38
Roshan Packages Limited	200,000	-	-	-	200,000	4,484	6,936	2,452	0.15	0.16	0.14
Packages Limited	205,928	-	-	-	205,928	71,500	103,444	31,944	2.31	2.42	0.23
									3.86	4.04	0.75
Pharmaceuticals											
AGP Limited	961,750	-	-	-	961,750	105,542	104,831	(712)	2.34	2.45	0.34
GlaxoSmithKline Consumer Health	150,200	-	-	-	150,200	40,806	43,507	2,701	0.97	1.02	0.13
GlaxoSmithKline Pakistan Limited	10,000	-	-	-	10,000	1,741	1,836	96	0.04	0.04	-
Highnoon Laboratories Limited	1,751	-	-	-	1,751	878	1,075	197	0.02	0.03	0.01
The Searle Company Limited	338,248	45,000	-	-	383,248	79,328	98,230	18,902	2.19	2.29	0.18
									5.57	5.83	0.66
Power Generation and Distribution											
K-Electric Limited (note 6.1.1)	25,973,500	-	-	4,579,000	21,394,500	64,397	90,071	25,673	2.01	2.10	0.08
Hub Power Company Limited	3,392,316	-	-	1,495,000	1,897,316	137,555	148,863	11,308	3.32	3.48	0.15
									5.34	5.58	0.23
Technology and Communication											
Avanceon Limited	143,440	225,000	-	225,000	143,440	8,136	9,642	1,506	0.22	0.23	0.07
Pakistan Telecommunication Company Ltd	-	1,215,000	-	-	1,215,000	12,310	13,134	824	0.29	0.31	0.03
TPL Trakker Limited	-	583,000	-	351,000	232,000	2,784	2,413	(371)	0.05	0.06	0.12
Systems Limited	265,750	-	-	25,000	240,750	44,221	65,494	21,273	1.46	1.53	0.20
									2.03	2.12	0.42
Textile Composite											
Nishat Mills Limited	150,100	565,000	-	-	715,100	65,866	72,275	6,409	1.61	1.69	0.20
Interloop Limited	1,802,000	-	-	318,500	1,483,500	65,155	99,469	34,313	2.22	2.32	0.17
									3.84	4.01	0.37
Textile Weaving											
Feroze1888 Mills Limited	450,700	-	-	212,000	238,700	19,526	24,982	5,457	0.56	0.58	0.06
Vanaspoti & Allied Industries											
Unity Foods Limited	300,000	-	-	300,000	-	-	-	-	-	-	-
Total as at September 30, 2020						3,696,720	4,280,903	584,183		100	

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which have a nominal value of Rs 3.5 each and Agriauto Industries Limited & National foods which have a nominal value of Rs 5 each.

6.1.2 Investments include 150,000 shares (June 30, 2020: 150,000 shares) of Engro Corporation Limited, having market value of Rs 45.1545 million (June 30, 2020: Rs 43.94 million) as at September 30, 2020, which have been pledged with National Clearing Company of Pakistan for guaranteeing settlement of Fund's trades in accordance with Circular 11 dated October 23, 2007 by SECP.

6.2 The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2020. As at September 30, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 4.993 million (June 30, 2020: Rs. 7.794 million).

	Note	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Management fee payable	7.1	7,850	877
Sindh Sales Tax payable on remuneration of the Management Company		1,020	114
Allocated expenses payable	7.2	393	325
Selling and marketing expense payable	7.3	4,550	3,818
Sales load payable		98	192
Sindh sales tax on sales load payable		13	25
		13,923	5,351

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (2020: 2%) per annum of the average net assets of the Fund during the quarter ended September 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

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

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

- 7.3 The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 22, 2019 the Management Company, based on its own discretion has charged selling and marketing expense at 0.4% of the average annual net assets of the Fund which has also been approved by the Board.

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30,	June 30,
		2020 (Unaudited)	2020 (Audited)
		(Rupees in '000)	
Auditors' remuneration payable		169	585
Brokerage payable		6,633	7,082
Shariah advisor fee payable		56	269
Charity payable		7,569	6,827
Withholding tax payable		2	9,415
Capital gain tax payable		2,734	1,469
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	8.2	37,524	37,524
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	3,732	3,732
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	65,336	52,308
Zakat payable		41	42
		123,795	119,253

- 8.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to September 30, 2020, the net asset value of the Fund per unit as at September 30, 2020 would have been higher by Re 0.23 (June 30, 2020: Re 0.18 per unit).

- 8.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision for FED not been made, the Net Asset Value of the Fund as at September 30, 2020 would have been higher by Re 0.14 (June 30, 2020: Re 0.14) per unit.

9. CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10. 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 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.

Transactions and balances with related parties are as follows:

	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	7,850	877
Sindh Sales Tax on management fee payable	1,020	114
Sales load payable	98	192
Sindh Sales Tax on sales load payable	13	25
Selling and marketing expense payable	4,550	3,818
Allocated expenses payable	393	325
Investment of 33,137,054 units (June 30, 2020: 30,854,173 units)	512,633	410,904
Meezan Bank Limited		
Balance with bank	45,091	16,414
Profit receivable on saving account	65	70
Sales load payable	14	18
Sindh Sales Tax on sales load	2	2
Investment of 1,703,955 shares (June 30, 2020: 1,349,050 shares)	140,082	92,882
Investment of 22,984,581 units (June 30, 2020: 22,984,581 units)	355,573	306,099
Central Depository Company of Pakistan Limited - Trustee		
Security deposit	238	238
Remuneration payable	473	403
Sindh Sales Tax on trustee fee payable	61	52
MSAF- Meezan Strategic Allocation Plan- I		
Investment of 9,245,708 units (June 30, 2020: 9,865,832 units)	143,032	131,389

MSAF - Meezan Strategic Allocation Plan II		
Investment of 11,414,251 units (June 30, 2020: 12,644,001 units)	<u>176,579</u>	<u>168,388</u>
MSAF- Meezan Strategic Allocation Plan IV		
Investment of 5,135,070 units (June 30, 2020: 7,770,394 units)	<u>79,440</u>	<u>103,483</u>
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment 3,382,999 units (June 30, 2020: 3,382,999 units)	<u>52,335</u>	<u>45,053</u>
MSAF - Meezan Strategic Allocation Plan - III		
Investment of 939,951 units (June 30, 2020: 563,466 units)	<u>14,541</u>	<u>7,504</u>
MSAF - Meezan Strategic Allocation Plan - V		
Investment of 160,990 units (June 30, 2020: 160,990 units)	<u>2,491</u>	<u>2,144</u>
Pakistan Kuwait Investment Company (Private) Limited		
Investment of 16,895,690 units (June 30, 2020: 16,895,690 units)	<u>261,378</u>	<u>225,010</u>
Directors and executives of the Management Company		
Investment of 11,716,314 units (June 30 2020: 8,693,977 units)	<u>181,252</u>	<u>115,783</u>
AI Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 438,459 units (June 30 2020: nil units)	<u>6,783</u>	<u>-</u>
Unitholders holding 10% or more units of the Fund	<u>512,633</u>	<u>410,904</u>
	For the quarter ended September	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	<u>22,752</u>	<u>20,224</u>
Sindh Sales Tax on management fee	<u>2,958</u>	<u>2,629</u>
Allocated expenses	<u>1,138</u>	<u>1,011</u>
Selling and marketing expense	<u>4,550</u>	<u>4,045</u>
Units issued: 2,282,882 units (September 30, 2019: 5,209,087)	<u>35,000</u>	<u>65,000</u>
Units redeemed: nil (September 30, 2019: 3,708,679)	<u>-</u>	<u>45,000</u>
Meezan Bank Limited		
Profit on saving accounts with banks	<u>79</u>	<u>256</u>
Shares purchased : 255,000 shares (September 30, 2019: nil shares)	<u>21,949</u>	<u>-</u>
Shares sold: 55,000 shares (September 30, 2019: 125,000 shares)	<u>4,739</u>	<u>9,787</u>
Bonus share received: 154,905 shares (September 30, 2019: nil shares)	<u>-</u>	<u>-</u>
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee for the quarter	<u>1,390</u>	<u>1,263</u>
Sindh Sales Tax on trustee fee	<u>181</u>	<u>164</u>
CDS charges for the quarter	<u>51</u>	<u>31</u>
MSAF- Meezan Strategic Allocation Plan IV		
Units redeemed: 2,635,324 (September 30, 2019: nil units)	<u>40,000</u>	<u>-</u>
MSAF- Meezan Strategic Allocation Plan - I		
Units issued: 548,043 (September 30, 2019: nil units)	<u>8,000</u>	<u>-</u>
Units redeemed: 1,168,168 units (September 30, 2019: 5,942,641)	<u>17,000</u>	<u>70,470</u>
MSAF -Meezan Strategic Allocation Plan - II		
Units redeemed: 1,229,749 (September 30, 2019: 8,931,595)	<u>19,000</u>	<u>110,860</u>
MSAF - Meezan Strategic Allocation Plan - III		
Units issued: 376,485 (September 30, 2019: nil)	<u>6,000</u>	<u>-</u>
AI Meezan Investment Management Limited (GF)		
Units issued: 438,459 (September 30, 2019: nil units)	<u>7,000</u>	<u>-</u>
Directors and executives of the Management Company		
Units issued: 3,037,100 units (September 30, 2019: 270,270 units)	<u>43,774</u>	<u>3,263</u>
Units redeemed: 14,764 units (September 30, 2019: 25,480,265 units)	<u>236</u>	<u>315,024</u>

11. 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.

11.1 Fair value hierarchy

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

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

As at September 30, 2020 the Fund held the following financial instruments measured at fair value:

As at September 30, 2020			
Level 1	Level 2	Level 3	Total

(Rupees in '000)

Financial assets

At fair value through profit or loss	4,280,903	-	-	4,280,903
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As at June 30, 2020			
Level 1	Level 2	Level 3	Total

(Rupees in '000)

Financial assets

At fair value through profit or loss	3,782,362	-	-	3,782,362
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12. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 3.49% which includes 0.60% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, Sales Taxes, Federal Excise Duties, Annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Equity Scheme.

13. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2021 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



**KSE-Meezan
Index Fund**

KSE-Meezan Index Fund (KMIF)

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

**FOUNDER OF THE
MEEZAN ISLAMIC INDEX**



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

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

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**KSE MEEZAN INDEX FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
Note	----- (Rupees in '000) -----	
Assets		
Balances with banks	5 18,717	46,350
Investments	6 2,206,567	1,857,289
Receivable against conversion of units	12,353	1,130
Dividend receivable	12,850	8,277
Receivable against sale of investments	11,730	-
Deposits and other receivables	2,631	2,632
Total assets	<u>2,264,848</u>	<u>1,915,678</u>
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	8 2,666	2,088
Payable to Central Depository Company of Pakistan Limited - Trustee	300	259
Payable to the Securities and Exchange Commission of Pakistan	109	342
Payable to Meezan Bank Limited	70	93
Payable against redemption and conversion of units	15,159	497
Payable against purchase of investments	16,667	33,760
Accrued expenses and other liabilities	9 30,918	21,466
Total liabilities	<u>65,889</u>	<u>58,505</u>
Net assets	<u>2,198,959</u>	<u>1,857,173</u>
Contingencies and commitments	7	
Unit holders' fund (as per statement attached)	<u>2,198,959</u>	<u>1,857,173</u>
	(Number of units)	
Number of units in issue	<u>35,113,802</u>	<u>34,770,100</u>
	(Rupees)	
Net asset value per unit	<u>62.6238</u>	<u>53.4129</u>

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

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

Chief Executive

Chief Financial Officer

Director

KSE MEEZAN INDEX FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UNAUDITED)

	September 30,	
	2020	2019
Note	(Rupees in '000)	
Income		
Net realised gain / (loss) on sale of investments	18,491	(6,288)
Dividend income	14,429	29,503
Profit on saving accounts with banks	139	411
Other income	707	353
	<u>33,766</u>	<u>23,979</u>
Net unrealised appreciation / (diminution) on re-measurement of investments at 'fair value through profit or loss'	6.1 303,312	(100,583)
Total Income/ (loss)	<u>337,078</u>	<u>(76,604)</u>
Expenses		
Remuneration to Al Meezan Investment Management Limited - Management Company	8.1 5,445	3,619
Sindh Sales Tax on management fee	708	470
Allocated expenses	8.2 544	362
Remuneration to Central Depository Company of Pakistan Limited - Trustee	796	613
Sindh Sales Tax on trustee fee	103	80
Annual fee to Securities and Exchange Commission of Pakistan	109	72
Auditors' remuneration	119	93
Brokerage	1,871	694
Charity expense	404	819
Bank and settlement charges	71	78
Fees and subscription	136	141
Printing charges	-	9
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1 6,535	-
Total expenses	<u>16,841</u>	<u>7,050</u>
Net income / (loss) for the quarter before taxation	<u>320,237</u>	<u>(83,654)</u>
Taxation	12 -	-
Net income / (loss) for the quarter after taxation	<u>320,237</u>	<u>(83,654)</u>
Allocation of net income for the quarter		
Net Income for the quarter after taxation	320,237	-
Income already paid on units redeemed	(6,902)	-
	<u>313,335</u>	<u>-</u>
Accounting income available for distribution		
- Relating to capital gains	313,335	-
- Excluding capital gains	-	-
	<u>313,335</u>	<u>-</u>

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

For Al-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**KSE MEEZAN INDEX FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UNAUDITED)**

	September 30,	
	2020	2019
	(Rupees in '000)	
Net income / (loss) for the quarter before taxation	320,237	(83,654)
Other comprehensive income for the quarter	-	-
Total comprehensive income / (loss) for the quarter	<u>320,237</u>	<u>(83,654)</u>

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

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

Chief Executive

Chief Financial Officer

Director

KSE MEEZAN INDEX FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDER'S FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UNAUDITED)

	Quarter ended September 30, 2020			Quarter ended September 30, 2019		
	Capital Value	Undistrib-uted income / Accumulated loss	Total	Capital Value	Undistrib-uted income / (accumul-ated loss)	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the quarter	2,094,337	(237,164)	1,857,173	1,779,406	(262,268)	1,517,138
Issuance of 4,522,104 units (2019: 2,912,444 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	241,539	-	241,539	154,205	-	154,205
- Element of income / (loss)	40,982	-	40,982	(13,141)	-	(13,141)
Total proceeds on issuance of units	282,521	-	282,521	141,064	-	141,064
Redemption of 4,178,402 units (2019: 1,662,650 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	223,181	-	223,181	88,032	-	88,032
- Element of loss / (income)	30,890	6,902	37,792	(6,588)	-	(6,588)
Total payments on redemption of units	254,070	6,902	260,972	81,444	-	81,444
Total comprehensive income / (loss) for the quarter	-	320,237	320,237	-	(83,654)	(83,654)
Distribution during the quarter	-	-	-	-	-	-
Net income / (loss) for the quarter less distribution	-	320,237	320,237	-	(83,654)	(83,654)
Net assets at the end of the quarter	2,122,788	76,171	2,198,959	1,839,026	(345,922)	1,493,104
(Accumulated loss) / undistributed income brought forward						
- Realised (loss) / income		(138,664)			184,604	
- Unrealised loss		(98,500)			(446,872)	
		(237,164)			(262,268)	
Accounting income available for distribution						
- Relating to capital gains	313,335				-	
- Excluding capital gains	-				-	
	313,335				-	
Net income / (loss) for the quarter after taxation		-			(83,654)	
Distribution during the quarter		-			-	
Accumulated Income / (loss) carried forward		76,171			(345,922)	
Accumulated Income / (loss) carried forward						
- Realised loss		(227,141)			(245,339)	
- Unrealised Income / (loss)		303,312			(100,583)	
Net Income for the quarter after taxation		76,171			(345,922)	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the quarter		53.4129				52.9470
Net assets value per unit at the end of the quarter		62.6238				49.9304

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**KSE MEEZAN INDEX FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UNAUDITED)**

	September 30,	
	2020	2019
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the quarter before taxation	320,237	(83,654)
Adjustments for:		
Net unrealised (appreciation) / diminution on re-measurement of investments at 'fair value through profit or loss'	(303,312)	100,583
	16,925	16,929
(Increase) / decrease in assets		
Investments	(45,966)	(57,233)
Dividend receivable	(4,573)	(17,117)
Deposits and other receivables	1	39
	(62,268)	(74,311)
Increase / (decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - the Management Company	578	11
Payable to Central Depository Company of Pakistan Limited - the Trustee	41	(27)
Payable to Meezan Bank Limited	(23)	(4)
Payable to the Securities and Exchange Commission of Pakistan	(233)	(1,492)
Payable against purchase of investments	(17,093)	(44,670)
Accrued expenses and other liabilities	9,452	1,381
	(7,278)	(44,801)
Net cash used in operating activities	(52,621)	(102,183)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt against issuance of units	271,298	180,899
Payment against redemption of units	(246,310)	(81,675)
Net cash generated from financing activities	24,988	99,224
Net decrease in cash and cash equivalents during the quarter	(27,633)	(2,959)
Cash and cash equivalents at beginning of the quarter	46,350	8,935
Cash and cash equivalents at the end of the quarter	18,717	5,976

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

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

Chief Executive

Chief Financial Officer

Director

KSE MEEZAN INDEX FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UNAUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** KSE Meezan Index 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 March 13, 2012 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund is a Shariah Compliant Index Fund that aims to provide investors an opportunity to track closely the performance of the KSE-Meezan Index 30 (KMI 30) by investing in companies of the index in proportion to their weightages. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end fund listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorised as a Shariah Compliant Index Fund.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2019: AM1 dated December 28, 2018) and by PACRA dated June 26, 2020 (2019: dated June 28, 2019). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 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, 2020.

4.3 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, 2020. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5	BALANCES WITH BANKS	Note	September 30,	June 30,
			2020	2020
			(Unaudited)	(Audited)
			(Rupees in '000)	
	In saving accounts	5.1	15,234	43,559
	In current accounts		3,483	2,791
			18,717	46,350

5.1 The balance in saving accounts have an expected profit ranging from 2.31% to 2.50% per annum (June 30, 2020: 1.50% to 3.00% per annum).

6	INVESTMENTS	Note	September 30,	June 30,
			2020	2020
			(Unaudited)	(Audited)
			(Rupees in '000)	
	Investments at 'fair value through profit or loss'			
	Shares of listed companies - 'ordinary shares'	6.1	2,206,567	1,857,289

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2020	Purchases during the quarter	Rights / Bonus issue	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to		
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	Total market value of investments
Number of shares						(Rupees in '000)		%			
Sectors / companies											
Automobile Assembler											
Honda Atlas Cars (Pakistan) Limited	71,200	21,100	-	7,800	84,500	17,463	21,880	4,417	1.00	0.06	0.99
Millat Tractors Limited	50,412	19,850	-	3,800	66,462	48,065	57,506	9,442	2.62	0.13	2.61
Indus Motors company Limited	-	43,600	-	3,650	39,950	44,799	51,142	6,343	2.33	0.05	2.32
Pak Suzuki Motor Company Limited	43,800	-	-	43,800	-	-	-	-	-	-	-
									5.95	0.24	5.92
Bank											
Meezan Bank Limited	739,701	262,182	93,388	45,500	1,049,771	67,094	86,302	19,208	3.92	0.07	3.91
									3.92	0.07	3.91
Cable And Electrical Goods											
Pak Elektron Limited	580,803	197,000	-	43,000	734,803	17,955	24,293	6,338	1.10	0.15	1.10
									1.10	0.15	1.10
Cement											
D.G. Khan Cement Company Limited	518,500	173,600	-	42,300	649,800	57,484	67,001	9,517	3.05	0.15	3.04
Cherat Cement company Limited	-	350,800	-	34,499	316,301	32,582	36,931	4,349	1.68	0.16	1.67
Fauji Cement Company Limited	1,793,875	549,000	-	97,500	2,245,375	38,766	44,638	5,873	2.03	0.16	2.02
Lucky Cement Limited	322,180	78,099	-	17,001	383,278	182,138	248,008	65,870	11.28	0.12	11.24
Maple Leaf Cement Factory Limited	453,336	1,074,000	-	63,000	1,464,336	41,186	52,555	11,369	2.39	0.25	2.38
									20.43	0.84	20.35
Chemical											
Engro Polymer & Chemicals Limited	806,271	185,500	-	48,000	943,771	24,660	37,996	13,336	1.73	0.10	1.72
Lotte Chemical Pakistan Limited	933,000	254,000	-	67,500	1,119,500	11,585	13,434	1,849	0.61	0.07	0.61
									2.34	0.17	2.33
Engineering											
International Steels Limited	366,901	58,000	-	37,500	387,401	21,060	29,845	8,786	1.36	0.09	1.35
									1.36	0.09	1.35
Fertilizer											
Engro Corporation Limited	882,322	38,393	-	257,371	663,344	194,815	199,686	4,871	9.08	0.12	9.05
Engro Fertilizers Limited	1,773,818	98,405	-	91,941	1,780,282	107,613	108,277	664	4.92	0.13	4.91
									14.00	0.25	13.96
Food And Personal Care											
Frieslandcampina Engro Pakistan Lir	219,500	-	-	219,500	-	-	-	-	-	-	-
									-	-	-
Investment Banks / Investment Companies / Securities Companies											
Dawood Hercules Corporation Limited	941,400	-	-	941,400	-	-	-	-	-	-	-
									-	-	-
Oil And Gas Exploration Companies											
Mari Petroleum Company Limited	65,905	16,720	-	3,540	79,085	98,775	108,308	9,534	4.93	0.06	4.91
Oil & Gas Development Company Lir	1,671,781	322,894	-	81,290	1,913,385	209,860	198,227	(11,633)	9.01	0.04	8.98
Pakistan Oilfields Limited	337,086	64,325	-	16,607	384,804	136,791	162,129	25,339	7.37	0.14	7.35
Pakistan Petroleum Limited	1,633,791	425,997	-	83,651	1,976,137	175,182	181,923	6,741	8.27	0.07	8.24
									29.58	0.31	29.48

Name of the investee company	As at July 1, 2019	Purchases during the quarter	Rights / Bonus issue	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to		
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	Total market value of investments
Number of shares						(Rupees in '000)			%		
Oil And Gas Marketing Companies											
Hascol Petroleum Limited	471	1,868,000	-	87,500	1,780,971	26,344	35,940	9,596	1.63	0.89	1.63
Pakistan State Oil Company Limited	542,757	110,088	-	26,917	625,928	100,779	125,311	24,532	5.70	0.13	5.68
Sui Northern Gas Pipelines Limited	704,333	183,500	-	40,000	847,833	47,000	52,405	5,404	2.38	0.13	2.37
Sui Southern Gas Company Limited	741,231	-	-	741,231	-	-	-	-	-	-	-
									9.71	1.15	9.68
Pharmaceuticals											
The Searle Company Limited	249,959	46,400	-	13,100	283,259	57,903	72,602	14,699	3.30	0.13	3.29
									3.30	0.13	3.29
Power Generation & Distribution											
K-Electric Limited (note 6.1.1)	6,085,040	2,317,500	-	250,500	8,152,040	25,147	34,320	9,174	1.56	0.03	1.56
The Hub Power Company Limited	2,421,050	-	-	2,421,050	-	-	-	-	-	-	-
									1.56	0.03	1.56
Refinery											
Attock Refinery Ltd	118,992	47,000	-	39,999	125,993	13,627	17,574	3,946	0.80	0.12	0.80
National Refinery Limited	-	86,200	-	8,400	77,800	10,079	13,535	3,456	0.62	0.10	0.61
									1.42	0.22	1.41
Technology & Communication											
Netsol Technologies Limited	81,900	50,500	-	38,500	93,900	5,293	5,644	352	0.26	0.10	0.26
System Limited	-	228,700	-	9,300	219,400	43,172	59,686	16,513	2.71	0.18	2.70
									2.97	0.28	2.96
Textile Composite											
Nishat Mills Limited	393,900	111,500	-	36,400	469,000	37,996	47,402	9,406	2.16	0.13	2.15
									2.16	0.13	2.15
Vanaspati & Allied Industries											
Unity Foods Limited	384,000	380,022	596,752	636,000	724,774	8,044	12,067	4,023	0.55	0.13	0.55
									0.55	0.13	0.55
Right Certificates											
Cement *											
Unity Foods Limited	-	596,752	-	596,752	-	-	-	-	-	-	-
									1,903,255	2,206,567	303,312
											100

*The right certificates were exercised during the quarter and the shares are included in the investment in Unity foods Limited.

- 6.1.1** All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which have nominal value of Rs 3.50 each.
- 6.1.2** Investments include 682,000 shares (June 30, 2020: 682,000 shares) of Pakistan Petroleum Limited having market value of Rs 62.78 million as at September 30 2020 (June 30, 2020: Rs 59.184 million), which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.
- 6.2** The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2020. As at September 30, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 1.405 million (June 30, 2020: Rs. 1.160 million).

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

8	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY		September 30,	June 30,
			2020 (Unaudited)	2020 (Audited)
			(Rupees in '000)	
	Management fee payable	8.1	1,878	1,511
	Sindh Sales Tax on management fee payable		244	196
	Allocated expenses payable	8.2	188	151
	Sales load payable		315	204
	Sindh Sales Tax payable on sales load		41	26
			2,666	2,088

8.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2020: 1%) per annum of the average net assets of the Fund during the quarter ended September 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

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

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

9	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30,	June 30,
			2020 (Unaudited)	2020 (Audited)
			(Rupees in '000)	
	Auditor's remuneration payable		86	224
	Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	9.2	5,741	5,741
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	9.2	497	497
	Provision for Sindh Workers' Welfare Fund	9.1	16,318	9,782
	Withholding tax and capital gain tax payable		1,354	266
	Charity payable		3,519	3,115
	Brokerage payable		3,131	1,437
	Shariah advisory fee payable		132	269
	Printing charges payable		124	124
	Zakat payable		16	11
			30,918	21,466

9.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Sindh Workers' Welfare Fund not been made, the net asset value per unit as at September 30, 2020 would have been higher by Re. 0.46 (June 30, 2020: Re 0.28 per unit)

9.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Federal Excise Duty not being made, the net asset value per unit as at September 30, 2020 would have been higher by Rs. Re 0.18 (June 30, 2020: Re 0.18)

10 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

Transactions with connected persons 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 provision of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

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

Balances	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	1,878	1,511
Sindh Sales Tax on management fee payable	244	196
Sales load payable	315	204
Sindh Sales Tax on sales load payable	41	26
Allocated expenses payable	188	151
Investment of 12,626,596 units (June 30, 2020: 12,467,051 units)	790,725	665,901
Meezan Bank Limited		
Sales load payable	62	82
Sindh Sale Tax on sales load payable	8	11
Bank balance	13,227	8,068
Profit receivable on savings account	21	16
Investment of 2,113,224 units (June 30, 2020: 2,113,224 units)	132,338	112,873
Investment in 1,049,771 shares (June 30, 2020: 739,301 shares)	86,302	50,928
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	246	210
Sindh Sales Tax on trustee fee payable	54	49
Security deposit	103	103
Directors and their close family members and key management		
Investment of 697,004 units (June 30, 2020: 626,396 units)	43,649	33,458
Unit holders holding 10% or more units of the Fund		
Investment of 9,725,888 units (June 30, 2020: 9,725,888 units)	609,072	519,488
Al Meezan Investment Management Limited (Gratuity Fund)		
Investment as at September 30, 2020: 133,559 units (June 30, 2020: 133,559 units)	8,364	7,134
Meezan Strategic Allocation Fund MSAP-I		
Investment as at September 30, 2020: 4,311 units (June 30, 2020: 4,311 units)	270	230

Meezan Strategic Allocation Fund MSAP-II		
Investment as at September 30, 2020: 137,526 units (June 30, 2020: 137,526 units)	8,612	7,346
Meezan Strategic Allocation Fund MSAP-III		
Investment as at September 30, 2020: 374,075 units (June 30, 2020: 374,075 units)	23,426	19,980
Meezan Strategic Allocation Fund MSAP-IV		
Investment as at September 30, 2020: 396,682 units (June 30, 2020: 396,682 units)	24,842	21,188
Meezan Strategic Allocation Fund MSAP-V		
Investment as at September 30, 2020: 56,518 units (June 30, 2020: 56,518 units)	3,539	3,019
	Quarter ended September 30,	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
Transactions during the quarter		
AI Meezan Investment Management Limited - the Management Company		
Remuneration for the quarter	5,445	3,619
Sindh Sales Tax on remuneration of the Management Company	708	470
Allocated expenses	544	362
Units issued: 310,598 units (September 30, 2019: 2,141,887 units)	20,000	103,600
Units redeemed: 151,053 units (September 30, 2019: nil units)	9,200	-
Meezan Bank Limited		
Profit on savings account	52	229
Shares purchased: 355,570 shares (September 30, 2019: nil shares)	19,257	-
Bonus Share Received : 93,388 (September 30, 2019: nil shares)	-	-
Shares sold: 45,500 shares (September 30, 2019: nil shares)	3,799	-
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee	796	613
Sindh Sales Tax on trustee fee for the quarter	103	80
CDS charges	62	37
Directors and their close family members and key management		
Units issued: 77,383 units September 30, 2019: 406 units)	5,040	21
Units redeemed: 6,775 units (September 30, 2019: nil units)	396	-
Meezan Strategic Allocation Fund MSAP-I		
Units redeemed: nil units (September 30, 2019: 61,403 units)	-	3,027
Meezan Strategic Allocation Fund MSAP-III		
Units issued: nil units (September 30, 2019: 206,406 units)	-	10,000
Meezan Strategic Allocation Fund MSAP-IV		
Units issued: nil units (September 30, 2019: 206,406 units)	-	10,000

11 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 2.20% which includes 0.51% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Index Scheme.

12 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current quarter as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2021 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

13 FAIR 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.

13.1 FAIR VALUE HIERARCHY

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

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

As at September 30, 2020 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

	As at September 30, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	2,206,567	-	-	2,206,567
	----- (Rupees in '000) -----			
	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	1,857,289	-	-	1,857,289

14 GENERAL

Figures have been rounded off to the nearest thousand rupees.

15 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Energy Fund

Meezan Energy Fund (MEF)

Meezan Energy Fund (MEF) is a Shariah compliant Energy Sector (Equity) Scheme. It is an actively managed fund offering a simple way to take exposure to Shariah compliant energy sector stocks available at Pakistan Stock Exchange (PSX).

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FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

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

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



MEEZAN ENERGY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	7,032	3,214
Investments	6	449,115	518,105
Receivable against conversion of units		3,919	8,224
Dividend receivable		573	109
Receivable against sale of investments		-	30,650
Advances, deposits and other receivables		4,086	4,127
Preliminary expenses and floatation costs		233	283
Total assets		464,958	564,712
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	9	1,531	1,687
Payable to Central Depository Company of Pakistan Limited - Trustee		305	104
Payable to Meezan Bank Limited		5	345
Payable to Securities and Exchange Commission of Pakistan		27	109
Payable against conversion and redemption of units		2,323	13,036
Payable against purchase of investments		-	2,776
Accrued expenses and other liabilities	8	6,211	4,789
Total liabilities		10,402	22,846
Net assets		454,556	541,866
Contingencies and commitments	7		
Unit holders' funds (as per statement attached)		454,556	541,866
		(Number of units)	
Number of units in issue		13,769,747	18,050,159
		(Rupees)	
Net asset value per unit		33.0112	30.0200

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN ENERGY FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Note	September 30,	
		2020	2019
		(Rupees in '000)	
Income			
Net realised gain / (loss) on sale of investments		23,718	(41,008)
Dividend income		463	6,910
Profit on saving accounts with banks		212	903
		<u>24,393</u>	<u>(33,195)</u>
Net unrealised appreciation / (diminution) on re-measurement of investments - 'at fair value through profit or loss'	6.1	<u>38,361</u>	<u>(50,267)</u>
Total income / (loss)		<u>62,754</u>	<u>(83,462)</u>
Expenses			
Remuneration of AI Meezan Investment Management Limited - Management Company	9	2,709	2,808
Sindh Sales Tax on remuneration of the management company		352	365
Remuneration to Central Depository Company of Pakistan Limited - Trustee		271	281
Sindh Sales Tax on remuneration of the trustee		35	37
Annual fee to the Securities and Exchange Commission of Pakistan		27	28
Auditors' remuneration		99	74
Charity expense		8	250
Fees and subscription		142	141
Brokerage expense		704	329
Bank and settlement charges		114	46
Selling and marketing expense	9.3	542	562
Amortisation of preliminary expenses and floatation costs		50	50
Allocated expenses	9.2	135	140
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	1,151	-
Total expenses		<u>6,339</u>	<u>5,111</u>
Net income / (loss) for the quarter before taxation		<u>56,415</u>	<u>(88,573)</u>
Taxation	13	-	-
Net income / (loss) for the quarter after taxation		<u>56,415</u>	<u>(88,573)</u>
Allocation of net income for the quarter			
Net income for the quarter after taxation		56,415	-
Income already paid on units redeemed		(25,325)	-
		<u>31,090</u>	<u>-</u>
Accounting income available for distribution			
- Relating to capital gains		31,090	-
- Excluding capital gains		-	-
		<u>31,090</u>	<u>-</u>

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

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

Chief Executive

Chief Financial Officer

Director



MEEZAN ENERGY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
	(Rupees in '000)	
Net income / (loss) for the quarter after taxation	56,415	(88,573)
Other comprehensive income for the quarter	-	-
Total comprehensive income / (loss) for the quarter	<u>56,415</u>	<u>(88,573)</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ENERGY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020			September 30, 2019		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the quarter	964,237	(422,371)	541,866	967,743	(369,040)	598,703
Issue of 17,725,623 units (September 30, 2019: 7,708,283 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	532,123	-	532,123	257,186	-	257,186
- Element of income	60,719	-	60,719	(23,581)	-	(23,581)
Total proceeds on issuance of units	592,842	-	592,842	233,605	-	233,605
Redemption of 22,006,035 units (September 30, 2019: 7,834,456 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	660,621	-	660,621	261,396	-	261,396
- Element of income / (loss)	50,621	25,325	75,946	(36,688)	-	(36,688)
Total payments on redemption of units	711,242	25,325	736,567	224,708	-	224,708
Total comprehensive income / (loss) for the quarter	-	56,415	56,415	-	(88,573)	(88,573)
Distribution during the quarter	-	-	-	-	-	-
Net income / (loss) for the quarter less distribution	-	56,415	56,415	-	(88,573)	(88,573)
Net assets at the end of the quarter	845,837	(391,281)	454,556	976,640	(457,613)	519,027
Accumulated loss brought forward						
- Realised loss		(422,342)			(228,021)	
- Unrealised (loss) / income		(29)			(141,019)	
		<u>(422,371)</u>			<u>(369,040)</u>	
Accounting income available for distribution						
- Relating to capital gains		31,090			-	
- Excluding capital gains		-			-	
		<u>31,090</u>			<u>-</u>	
Net loss for the quarter after taxation		-			(88,573)	
Distribution during the quarter		-			-	
Accumulated loss carried forward		<u>(391,281)</u>			<u>(457,613)</u>	
Accumulated loss carried forward						
- Realised loss		(429,642)			(407,346)	
- Unrealised loss		38,361			(50,267)	
		<u>(391,281)</u>			<u>(457,613)</u>	
Net assets value per unit at the beginning of the quarter			(Rupees) <u>30.0200</u>			(Rupees) <u>33.3649</u>
Net assets value per unit at the end of the quarter			<u>33.0112</u>			<u>29.1295</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN ENERGY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the quarter before taxation	56,415	(88,573)
Adjustments for:		
Amortisation of preliminary expenses and floatation costs	50	50
Net unrealised (appreciation) / diminution on re-measurement investments - 'at fair value through profit or loss'	(38,361)	50,267
	<u>18,104</u>	<u>(38,256)</u>
Increase in assets		
Investments	107,351	41,717
Receivable against sale of investments	30,650	-
Dividend receivable	(464)	(4,868)
Advances, deposits and other receivables	41	(2,594)
	<u>137,578</u>	<u>34,255</u>
Decrease in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	(156)	(501)
Payable to Central Depository Company of Pakistan Limited - Trustee	201	(35)
Payable to Meezan Bank Limited	(340)	303
Payable to Securities and Exchange Commission of Pakistan	(82)	(905)
Payable against purchase of investments - net	(2,776)	(3,424)
Accrued expenses and other liabilities	1,422	(975)
	<u>(1,731)</u>	<u>(5,537)</u>
Net cash generated from / (used in) operating activities	<u>153,951</u>	<u>(9,538)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	597,147	233,763
Payment against redemption and conversion of units	(747,280)	(224,664)
Net cash (used in) / generated from financing activities	<u>(150,133)</u>	<u>9,099</u>
Net increase / (decrease) in cash and cash equivalents during the quarter	<u>3,818</u>	<u>(439)</u>
Cash and cash equivalents at the beginning of the quarter	3,214	20,442
Cash and cash equivalents at the end of the quarter	<u><u>7,032</u></u>	<u><u>20,003</u></u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ENERGY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Energy Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on September 9, 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) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The objective of the Fund is to seek long term capital appreciation through investments in Shariah compliant equity stocks, primarily from the energy sector / segment / industry, as defined in the constitutive documents. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited. The Fund is categorised as an Open End Shariah Compliant (Islamic) Equity Scheme in accordance with Circular 7 of 2009 issued by the SECP.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2019: AM1 dated December 28, 2018) and by PACRA dated June 26, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement of Compliance

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

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

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

The disclosures made in these condensed interim financial statements 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 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, 2020.

4.3 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, 2020. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	September 30,	June 30,
		2020 (Unaudited)	2020 (Audited)
In saving accounts	5.1	6,367	2,545
In current accounts		665	669
		<u>7,032</u>	<u>3,214</u>

- 5.1 The balance in saving accounts have an expected profit ranging from 2.31% to 6.35% per annum (June 30, 2020: 2.31% to 7.40% per annum).

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
		(Rupees in '000)	
6. INVESTMENTS	Note		
Investments - 'at fair value through profit or loss'			
Shares of listed companies 'ordinary shares'	6.1	<u>449,115</u>	<u>518,105</u>

6.1 Shares of listed companies 'ordinary shares'

Name of the investee company	As at July 1, 2020	Purchases during the quarter	Bonus / Right issue	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to		
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)
						Number of shares		(Rupees in '000)		%	
Sectors / companies											
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited	64,244	6,860	-	9,801	61,303	76,669	83,956	7,287	18.47	18.69	0.05
Oil and Gas Development Company Limited	874,228	201,000	-	493,000	582,228	64,059	60,319	(3,740)	13.27	13.43	0.01
Pakistan Oilfields Limited	280,680	-	-	93,500	187,180	65,631	78,865	13,234	17.35	17.56	0.07
Pakistan Petroleum Limited	928,718	347,000	-	547,000	728,718	66,641	67,086	445	14.76	14.93	0.03
									63.85	64.61	0.16
Oil and Gas Marketing Companies											
Attock Petroleum Limited	51,200	-	-	10,100	41,100	12,544	14,035	1,491	3.09	3.13	0.04
Hascol Petroleum Limited	1,074,011	430,000	-	1,013,000	491,011	7,380	9,909	2,529	2.18	2.21	0.05
Pakistan State Oil Company Limited	198,388	68,000	-	40,300	226,088	37,590	45,263	7,673	9.96	10.08	0.05
Sui Southern Gas Pipelines Limited	378,800	190,000	-	208,500	360,300	20,863	22,270	1,407	4.90	4.96	0.06
Shell Pakistan Limited	49,000	104,800	-	71,400	82,400	18,712	20,225	1,513	4.45	4.50	0.08
Hi-Tech Lubricants Limited	410,000	162,000	-	241,500	330,500	11,497	14,052	2,555	3.09	3.13	0.28
									27.67	28.01	0.56
Power Generation and Distribution											
Hub Power Company Limited	748,444	-	-	463,000	285,444	20,695	22,396	1,701	4.93	4.99	0.02
K - Electric Limited (note 6.1.1)	2,141,000	600,000	-	190,000	2,551,000	8,473	10,739	2,266	2.36	2.39	0.01
									7.29	7.38	0.03
Total as at September 30, 2020						410,754	449,115	38,361	100		
Total as at June 30, 2020						518,134	518,105	(29)			

- 6.1.1 All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which has face value of Rs 3.5 each.
- 6.1.2 Investments include 65,000 shares of Pakistan Petroleum Limited and 26,500 shares of Pakistan Outfields Limited having market value of Rs 5.98 million and 11.17 million as at September 30, 2020 (June 30, 2020: Rs 5.6407 million and Rs. 9.2917 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by
- 6.2 The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2020. As at September 30, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.811 million (June 30, 2020: Rs. 0.922 million).

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

8 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Auditors' remuneration payable		49	195
Printing charges payable		34	34
Shariah advisor fee payable		135	269
Charity payable		664	655
Capital gain tax payable		1,235	425
Provision for Sindh Workers' Welfare Fund	8.1	2,678	1,527
Zakat payable		6	5
Brokerage Payable		1,389	1,679
		<u>6,190</u>	<u>4,789</u>

- 8.1** The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Sindh Workers' Welfare Fund not been made, the net asset value per unit as at September 30, 2020 would have been higher by Re. 0.19 per unit (June 30, 2020: Re. 0.08 per unit)

**9 PAYABLE TO AI MEEZAN MANAGEMENT LIMITED -
MANAGEMENT COMPANY**

	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Management fee payable	9.1	829	928
Sindh Sales Tax payable on remuneration of the Management Company		107	121
Allocated expense payable	9.2	41	46
Selling and marketing expenses payable	9.3	542	517
Sales load		11	66
Sindh Sales Tax payable on sales load		1	9
		<u>1,531</u>	<u>1,687</u>

- 9.1** As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (2020: 2%) per annum of the average net assets of the Fund during the quarter ended September 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

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

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

- 9.3** The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 22, 2019 the Management Company, based on its own discretion has charged selling and marketing expense at 0.4% of the average annual net assets of the Fund which has also been approved by the Board.

10 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 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.

Transactions and balances with related parties are as follows:

	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	829	928
Sindh Sales Tax on management fee payable	107	121
Sales load payable	11	66
Sindh Sales Tax on sales load payable	1	9
Allocated expenses	41	46
Selling and marketing expense payable	542	517
Investment of 3,263,145 units (June 30, 2020: 5,379,191 units)	107,720	161,483
Meezan Bank Limited		
Bank balance	2,864	2,651
Profit receivable on saving accounts	25	72
Sales load payable	4	306
Sindh Sales Tax on sales load payable	1	40
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	270	92
Sindh Sales Tax on trustee fee payable	35	12
Security deposit	100	100
Directors and executives of the Management Company		
Investment of 14,026 units (June 30, 2020: 23,930 units)	463	718
For the quarter ended September 30,		
	2020	2019
(Rupees in '000)		
Al Meezan Investment Management Limited - the Management Company		
Remuneration for the quarter	2,709	2,808
Sindh Sales Tax on management fee	352	365
Allocated expenses	135	140
Selling and marketing expense	542	562
Units issued: 431,954 units (September 30, 2019: 967,230)	15,000	30,000
Units redeemed: 2,548,000 units (September 30, 2019: 348,187 units)	85,000	10,000



**For the quarter ended
September 30,**

	2020	2019
	(Rupees in '000)	
Meezan Bank Limited		
Profit on saving accounts	116	507
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee	271	281
Sindh Sales Tax on trustee fee	35	37
CDS charges	20	23
Directors and executives of the Management Company		
Units issued: 43 units (September 30, 2019: 3,295,456 units)	1	101,000
Units redeemed: 9,947 units (September 30, 2019: 1,857,793 units)	311	47,999

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 4.04% which includes 0.58% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, Shariah advisors fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Equity Scheme.

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

12.1 Fair value hierarchy

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

- Level 1: 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 September 30, 2020 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

ASSETS	As at September 30, 2020			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Shares of listed companies 'ordinary shares'	449,115	-	-	449,115
	(Rupees in '000)			
ASSETS	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Shares of listed companies 'ordinary shares'	518,105	-	-	518,105

13. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current quarter as the Management Company intends to distribute sufficient income of the Fund for the year ending June 30, 2021 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Balanced Fund

**COMPLETE SUITE OF
DIGITAL
SERVICES**

MEEZAN BALANCED FUND (MBF)

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



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

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

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



MEEZAN BALANCED FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	1,008,293	785,606
Investments	6	3,467,668	3,266,840
Receivables against conversion of units		12,160	4,245
Dividend receivable		5,913	605
Receivable against sale of investments		313	4,364
Advances, deposits and other receivables		37,868	40,593
Total assets		4,532,215	4,102,253
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	8	15,522	5,473
Payable to Central Depository Company of Pakistan Limited - Trustee		502	458
Payable to the Securities and Exchange Commission of Pakistan		215	905
Payable to Meezan Bank Limited		18	76
Payable against purchase of investments - net		5,998	4,740
Payable against redemption and conversion of units		43,338	4,614
Dividend payable		7,498	52,994
Accrued expenses and other liabilities	9	100,495	117,432
Total liabilities		173,586	186,692
Net assets		4,358,629	3,915,561
Contingencies and commitments	7		
Unit holders' fund (as per statement attached)		4,358,629	3,915,561
		(Number of units)	
Number of units in issue		292,009,383	285,524,181
		(Rupees)	
Net asset value per unit		14.9263	13.7136

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN BALANCED FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Note	September 30,	
		2020	2019
(Rupees in '000)			
Income			
Net realised gain / (loss) on sale of investments		25,281	(27,192)
Dividend income		12,496	40,081
Profit on sukuk certificates		31,290	51,494
Profit on saving accounts with banks		13,467	19,552
		82,534	83,935
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6	306,649	(191,285)
Total income / (loss)		389,183	(107,350)
Expenses			
Remuneration of AI Meezan Investment Management Limited - Management Company		21,477	23,736
Sindh Sales Tax on remuneration of the management company		2,792	3,086
Allocated expenses	8.2	1,074	1,187
Selling and marketing expenses	8.3	4,295	4,747
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,324	1,438
Sindh Sales Tax on remuneration of the Trustee		172	187
Annual fee to the Securities and Exchange Commission of Pakistan		215	247
Auditors' remuneration		142	135
Charity expense		347	1,097
Fees and subscription		79	145
Brokerage expense		842	314
Bank and settlement charges		37	110
Printing expenses		-	-
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	7,128	-
Total expenses		39,924	36,429
Net income / (loss) for the quarter before taxation		349,259	(143,778)
Taxation	12	-	-
Net income / (loss) for the quarter after taxation		349,259	(143,778)
Allocation of net income for the quarter			
Net Income for the quarter after taxation		349,259	-
Income already paid on units redeemed		(20,251)	-
		329,008	-
Accounting income available for distribution			
- Relating to capital gains		329,008	-
- Excluding capital gains		-	-
		329,008	-

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN BALANCED FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**



	<u>September 30,</u>	
	<u>2020</u>	<u>2019</u>
	(Rupees in '000)	
Net income / (loss) for the quarter after taxation	349,259	(143,778)
Other comprehensive income for the quarter	-	-
Total comprehensive income / (loss) for the quarter	<u>349,259</u>	<u>(143,778)</u>

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN BALANCED FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020			September 30, 2019		
	Capital Value	Undistrib- uted income	Total	Capital Value	(Accumulated losses)	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period as previously reported (Audited)	3,839,430	76,131	3,915,561	5,405,175	(55,085)	5,350,090
Issue of 43,985,379 units (2019: 3,544,809 units)						
- Capital value (at net asset value per unit at the beginning of the period)	603,198	-	603,198	47,716	-	47,716
- Element of income / (loss)	47,511	-	47,511	(1,715)	-	(1,715)
Total proceeds on issuance of units	650,708	-	650,708	46,001	-	46,001
Redemption of 37,500,177 units (2019: 54,511,948 units)						
- Capital value (at net asset value per unit at the beginning of the period)	514,262	-	514,262	733,774	-	733,774
- Element of loss / (income)	22,386	20,251	42,637	(33,111)	-	(33,111)
Total payments on redemption of units	556,899	20,251	556,899	700,663	-	700,663
Total comprehensive income / (loss) for the quarter	-	349,259	349,259	-	(143,778)	(143,778)
Distribution during the quarter	-	-	-	-	-	-
Net loss for the quarter less distribution	-	349,259	349,259	-	(143,778)	(143,778)
Net assets at the end of the quarter	3,933,239	405,139	4,358,629	4,750,513	(198,863)	4,551,649
Undistributed income / (accumulated losses) brought forward (as previously reported (Audited))						
- Realised income		25,518			819,542	
- Unrealised gain / (loss)		50,613			(874,627)	
		76,131			(55,085)	
Accounting income available for distribution						
- Relating to capital gains		329,008			-	
- Excluding capital gains		-			-	
		329,008			-	
Net loss for the quarter after taxation		-			(143,778)	
Distribution during the quarter		-			-	
Undistributed income / (accumulated losses) carried forward		405,139			(198,863)	
Undistributed income / (accumulated losses) carried forward						
Realised income / (loss)		98,490			(7,578)	
Unrealised gain / (loss)		306,649			(191,285)	
		405,139			(198,863)	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the quarter			<u>13.7136</u>			<u>13.4608</u>
Net assets value per unit at the end of the quarter			<u>14.9263</u>			<u>13.1364</u>

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

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

Chief Executive

Chief Financial Officer

Director



MEEZAN BALANCED FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the quarter before taxation	349,259	(143,778)
Adjustments for:		
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(306,649)	191,285
	<u>42,610</u>	<u>47,507</u>
Decrease / (Increase) in assets		
Investments - net	105,821	798,651
Dividend receivable	(5,308)	(24,256)
Receivable against sale of investments - net	4,051	66,084
Advances, deposits and other receivables	2,725	16,465
	<u>107,289</u>	<u>856,944</u>
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	10,049	(3,215)
Payable to Central Depository Company of Pakistan Limited - Trustee	44	(103)
Payable to Securities and Exchange Commission of Pakistan	(690)	(5,584)
Payable to Meezan Bank Limited	(58)	4
Payable against purchase of investments - net	1,258	-
Accrued expenses and other liabilities	(16,937)	(504)
	<u>(6,334)</u>	<u>(9,402)</u>
Net cash generated from operating activities	<u>143,565</u>	<u>895,049</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	642,793	45,786
Payment against redemption and conversion of units	(518,175)	(699,938)
Dividend paid	(45,496)	-
Net cash generated from / (used in) financing activities	<u>79,122</u>	<u>(654,152)</u>
Net increase in cash and cash equivalents during the quarter	<u>222,687</u>	<u>240,897</u>
Cash and cash equivalents at the beginning of the quarter	785,606	357,560
Cash and cash equivalents at the end of the quarter	<u><u>1,008,293</u></u>	<u><u>598,457</u></u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN BALANCED FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

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

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

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

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

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

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

1.6 The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2019: AM1 dated December 28, 2018) and by PACRA dated June 26, 2020 (2019: dated June 28, 2019). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

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

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

Where provisions of and directives issued under the Companies Act, 2017, part 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 year ended June 30, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020.

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, 2020. 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, 2020.

4.3 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 impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
		(Rupees in '000)	
5. BALANCES WITH BANKS	Note		
In saving accounts	5.1	987,826	777,690
In current accounts		20,467	7,916
		<u>1,008,293</u>	<u>785,606</u>

5.1 The balance in saving accounts have an expected profit ranging from 1.50% to 6.50% per annum (June 30, 2020: 1.50% to 7.50% per annum).

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
		(Rupees in '000)	
6. INVESTMENTS	Note		
Investments - 'at fair value through profit or loss'	6.1	3,467,668	3,266,840
		<u>3,467,668</u>	<u>3,266,840</u>
6.1 Investments - 'at fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	6.1.1	2,100,359	1,897,643
Sukuk certificates	6.1.2	1,367,309	1,369,197
		<u>3,467,668</u>	<u>3,266,840</u>

6.1.1 Shares of listed companies 'ordinary shares'

Name of the investee company	As at July 1, 2020	Purchases during the period	Right / Bonus issue	Sales during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to		
									Net Assets of the Fund	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments
Number of shares						Rupees in '000			%		
Sectors / companies											
Automobile Assemblers											
Ghandhara Industries Limited	2,100	-	-	-	2,100	254	495	241	0.01	-	0.01
Honda Atlas Cars (Pakistan) Limited	6,100	-	-	-	6,100	1,181	1,580	398	0.04	-	0.05
Millat Tractors Company Limited	9,006	1,800	-	-	10,806	7,933	9,350	1,417	0.21	0.02	0.27
Indus Motor Company Limited	13,700	-	-	-	13,700	13,631	17,538	3,907	0.40	0.02	0.51
									0.66	0.04	0.84
Automobile parts and accessories											
Agriauto Industries Limited (note 6.1.1.1)	40,200	-	-	8,100	32,100	5,842	7,736	1,894	0.18	0.11	0.22
Cement											
Attock Cement Pakistan Limited	727	13,800	-	-	14,527	2,399	2,218	(181)	0.05	0.01	0.06
Cherat Cement Company Limited	110,000	-	-	15,000	95,000	8,281	11,092	2,811	0.25	0.05	0.32
DG Khan Cement Company Limited	152,000	160,000	-	-	312,000	29,185	32,170	2,985	0.74	0.07	0.93
Fauji Cement Company Limited	80,000	-	-	-	80,000	1,350	1,590	240	0.04	0.01	0.05
Kohat Cement Limited	455,520	-	-	-	455,520	62,611	77,775	15,164	1.78	0.23	2.24
Lucky Cement Limited	293,851	-	-	6,000	287,851	132,866	186,260	53,393	4.27	0.09	5.37
Maple Leaf Cement Limited	806,281	500,000	-	-	1,306,281	36,389	46,882	10,493	1.08	0.12	1.35
									8.21	0.58	10.32
Chemicals											
Engro Polymer & Chemicals Limited	667,954	395,000	-	-	1,062,954	32,070	42,795	10,725	0.98	0.12	1.23
I.C.I. Pakistan Limited	101,416	-	-	13,100	88,316	61,354	63,905	2,551	1.47	0.10	1.84
Lotte Chemical Pakistan Limited	508,500	-	-	-	508,500	5,060	6,102	1,042	0.14	0.03	0.18
Ittehad Chemicals Limited	129,000	-	-	-	129,000	3,399	3,559	160	0.08	0.15	0.10
Sitara Peroxide Limited	400,000	-	-	400,000	-	-	-	-	-	-	-
Sitara Chemical Industries Limited	2,100	-	-	-	2,100	582	675	94	0.02	0.01	0.02
									2.69	0.41	3.38
Commercial Banks											
BankIslami Pakistan Limited	431,462	-	-	150,000	281,462	2,128	2,902	774	0.07	0.03	0.08
Meezan Bank Limited	933,885	60,000	93,388	-	1,087,273	69,135	89,385	20,249	2.05	0.08	2.58
									2.12	0.11	2.66
Engineering											
International Industries Limited	93,720	35,000	-	-	128,720	14,008	18,657	4,649	0.43	0.10	0.54
International Steels Limited	280,000	-	-	-	280,000	14,462	21,571	7,109	0.49	0.06	0.62
Mughal Iron & Steels Ind Ltd	75,000	75,000	-	-	150,000	7,133	9,642	2,509	0.22	0.06	0.28
K.S.B. Pumps Company Limited	5,000	-	-	-	5,000	720	1,581	861	0.04	0.04	0.05
									1.18	0.26	1.48
Fertilizers											
Fatima Fertilizer Limited	95,000	-	-	95,000	-	-	-	-	-	-	-
Engro Corporation Limited (Note 6.1.1.2)	639,722	-	-	53,000	586,722	171,863	176,621	4,758	4.05	0.10	5.09
Dawood Hercules Corporation Limited	8,800	-	-	8,800	-	-	-	-	-	-	-
Engro Fertilizers Limited	1,228,143	70,000	-	50,000	1,248,143	75,421	75,912	491	1.74	0.09	2.19
									5.79	0.19	7.28
Food & Personal Care Products											
Al-Shaheer Corporation Limited	7,709	-	-	-	7,709	88	148	60	0.00	-	0.00
At-Tahur Limited	70,742	-	-	-	70,742	1,219	1,496	277	0.03	0.04	0.04
									0.04	0.04	0.05
Glass & Ceramics											
Tariq Glass Industries Limited	25,000	-	-	25,000	-	-	-	-	-	-	0.09
Miscellaneous											
Shifa International Hospitals Limited	84	20,000	-	-	20,084	5,157	4,474	(683)	0.10	0.03	0.13
Synthetic Products Enterprises Limited	-	65,000	-	-	65,000	3,325	2,896	(429)	0.07	0.07	0.08
									0.17	0.10	0.21
Oil & Gas Exploration											
Attock Petroleum Limited	12,000	-	-	-	12,000	3,662	4,098	435	0.09	0.01	0.12
Mari Petroleum Company Limited	149,747	-	-	7,420	142,327	176,009	194,920	18,911	4.47	0.11	5.62
Oil and Gas Development Company Limited	1,415,100	-	-	258,001	1,157,099	126,124	119,875	(6,248)	2.75	0.03	3.46
Pakistan Oilfields Limited	287,710	-	-	51,000	236,710	82,998	99,733	16,735	2.29	0.08	2.88
Pakistan Petroleum Limited	1,374,502	86,000	-	170,000	1,290,502	112,969	118,804	5,834	2.73	0.05	3.43
									12.33	0.28	15.50
Oil and Gas Marketing											
Hi-Tech Lubricants Limited	125,000	-	-	-	125,000	3,785	5,315	1,530	0.12	0.11	0.15
Hascol Petroleum Limited	1,051,400	229,000	-	579,000	701,400	11,172	14,154	2,982	0.32	0.07	0.41
Pakistan State Oil Company Limited	382,290	-	-	15,000	367,290	58,091	73,531	15,441	1.69	0.08	2.12
Shell Pakistan Limited	-	35,000	-	-	35,000	9,281	8,591	(690)	0.20	0.03	0.25
Sui Northern Gas Pipeline Limited	788,000	-	-	105,000	683,000	37,292	42,216	4,924	0.97	0.11	1.22
									3.30	0.40	4.15
Paper & Board											
Cherat Packaging Limited	31,240	-	-	31,200	40	5	7	2	0.00	-	0.00
Century Paper & Board Mills Limited	95,000	106,000	-	-	201,000	16,936	22,357	5,421	0.51	0.14	0.64
Roshan Packages Limited	-	13,500	-	-	13,500	491	468	(23)	0.01	0.01	0.01
Security Paper Limited	-	25,000	-	-	25,000	5,579	5,419	(160)	0.12	-	0.16
Packages Limited	89,023	-	-	-	89,023	30,910	44,719	13,809	1.03	0.10	1.29
									1.67	0.25	2.10

Name of the investee company	As at July 1, 2020	Purchases during the period	Right / Bonus issue	Sales during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to					
									Net Assets of the Fund	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments			
						Number of shares			Rupees in '000			%		
Pharmaceuticals														
Abbott Laboratories (Pakistan) Limited	2,250	-	-	-	2,250	1,492	1,725	233	0.04	-	0.05			
AGP Limited	440,000	-	-	50,000	390,000	42,799	42,510	(289)	0.98	0.14	1.23			
GlaxoSmithKline Consumer Healthcare	75,600	-	-	16,000	59,600	16,192	17,264	1,072	0.40	0.05	0.50			
Highnoon Laboratories Limited	1,757	-	-	-	1,757	881	1,079	198	0.02	0.01	0.03			
The Searle Company Limited	190,370	20,000	-	-	210,370	43,348	53,920	10,572	1.24	0.10	1.55			
									2.67	0.30	3.36			
Power Generation & Distribution														
K-Electric Limited (note 6.1.1.1)	11,155,000	555,500	-	1,400,000	10,310,500	31,707	43,407	11,701	1.00	0.04	1.25			
The Hub Power Company Limited*	1,966,713	-	-	1,140,691	826,022	59,887	64,810	4,923	1.49	0.06	1.87			
									2.48	0.10	3.12			
Real Estate Investment Trust														
Dolmen City REIT	1,909,000	-	-	-	1,909,000	20,789	20,617	(172)	0.47	0.09	0.63			
Technology & Communication														
Avanceon Limited	155,980	46,500	-	15,000	187,480	7,641	12,602	4,961	0.29	0.09	0.36			
Netsol Technologies Limited	-	68,000	-	5,000	63,000	4,458	3,787	(671)	0.09	0.07	0.11			
Pakistan Telecommunication Company Limited	-	500,000	-	-	500,000	4,920	5,405	485	0.12	0.01	0.16			
Systems Limited	162,550	-	-	42,000	120,550	22,143	32,794	10,652	0.75	0.10	0.95			
									1.25	0.27	1.57			
Textile composite														
Feroze1888 Mills Limited	263,300	-	-	137,500	125,800	10,290	13,166	2,876	0.30	0.03	0.38			
Interloop Limited	1,109,222	-	-	50,000	1,059,222	46,521	71,021	24,500	1.63	0.12	2.05			
Nishat Mills Limited	270,600	175,000	-	-	445,600	39,136	45,037	5,901	1.03	0.13	1.30			
									2.96	0.28	3.73			
September 30, 2020						29,627,752	1,796,554	2,100,359	303,805	60.70				

6.1.1.1 All shares have a face value of Rs 10 each except for the shares of K-Electric Limited and Agriauto Industries Limited which have a face value of Rs 3.5 and Rs. 5 each respectively.

6.1.1.2 Investments include 150,000 shares of Engro Corporation Limited, having a market value of Rs 45.155 million (June 30, 2020: Rs 43.938 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

6.1.1.3 As at September 30, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 4.787 million (June 30, 2020: 4.701 million).

6.1.2 Sukuk Certificates

6.1.2.1 Government Securities - GOP Ijarah Sukuk

Name of the Security	Maturity date	Profit rate	As at July 1, 2020	Purchases during the period	Sales / matured during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised loss as at June 30, 2020	Percentage in relation to			
										Net Assets of the Fund	Total market value of investments		
						Number of certificates			Rupees in '000			%	
GoP Ijarah Sukuk Certificates - XX (Note 6.2.1)	April 30, 2025	Weighted Average 6 months T-Bills	1,870	-	1,000	870	84,390	83,807	(583)	1.92	2.42		
GoP Ijarah Sukuk Certificates - XXI (Note 6.2.1)	May 29, 2025	Weighted Average 6 months T-Bills	1,500	-	-	1,500	150,405	150,375	(30)	3.45	4.34		
GoP Ijarah Sukuk Certificates - XXIII (Note 6.2.1)	July 29, 2025	Weighted Average 6 months T-Bills	-	1,500	-	1,500	150,000	149,430	(570)	3.43	4.31		
Total as at September 30, 2020							384,795	383,612	(1,183)				

The nominal value of the GoP Ijarah sukuk certificates is Rs 100,000 each.

6.1.2.2 Corporate Sukuks

Name of the investee company	Maturity	Profit rate	As at July 1, 2020	Purchases during the period	Sales / Redemptions / matured during the period	As at September 30, 2020	Carrying value as at September 30, 2020*	Market value as at September 30, 2020*	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to				
										Net Assets of the Fund	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments		
						-----Number of certificates-----			----- (Rupees in '000) -----			----- % -----		
Secured														
K Electric Limited - (7 years) (note 6.1.2.2.1) (AA+, VIS, non-traded)	June 17, 2022	3 months KBOR plus base rate of 1%	70,003	-	10,000	60,003	106,318	106,338	20	2.44	0.01	3.07		
Security Leasing Corporation Limited II * (note 6.1.2.2.1 & 6.1.2.2.2)	January 19, 2022	NA	1,540	-	-	1,540	-	-	-	-	-	-		
Eden Housing Limited * (note 6.1.2.2.1 & 6.1.2.2.2)	September 29, 2014	NA	5,000	-	-	5,000	-	-	-	-	-	-		
Arzoo Textile Mills Limited * (note 6.1.2.2.1 & 6.1.2.2.2)	April 15, 2014	NA	5,000	-	-	5,000	-	-	-	-	-	-		
Hascal Petroleum Limited - Sukuk (AA, VIS, non-traded) (note 6.1.2.2.1, 6.1.2.2.2 & 6.1.2.2.6)	January 7, 2022	3 months KBOR plus base rate of 1.50%	17,500	-	2,500	15,000	74,073	71,957	(2,116)	1.65	3.75	2.08		
Dubai Islamic Bank Pakistan Limited - Sukuk (AA-, VIS, non-traded) (note 6.1.2.2.1)	July 14, 2027	6 months KBOR plus base rate of 0.50%	141	-	-	141	144,699	144,553	(146)	3.32	3.53	4.17		
International Brands Limited (AA, VIS, non-traded) (note 6.1.2.2.1)	November 15, 2021	3 months KBOR plus base rate of 0.50%	650	-	107	543	45,996	46,507	511	1.07	2.69	1.34		
Neelum Jhelum Hydropower Company (Private) Limited (AAA, VIS, non-traded) (note 6.1.2.2.1)	June 29, 2026	6 months KBOR plus base rate of 1.13%	230	-	-	230	17,690	17,768	78	0.41	0.02	0.51		
K-Electric Limited (sukuk 5) (AA+, VIS, traded) (note 6.1.2.2.1)	August 03, 2026	3 months KBOR plus base rate of 1.70%	40,000	-	-	40,000	200,000	205,094	5,094	4.71	0.80	5.91		
Meezan Bank Limited (AA, VIS, traded) (note 6.1.2.2.1)	September 22, 2026	6 months KBOR plus base rate of 0.5%	80	-	-	80	82,000	82,196	196	1.89	1.14	2.37		
Shakarganj Food Products Limited (A, VIS, non-traded) (note 6.1.2.2.1)	July 10, 2024	3 months KBOR plus base rate of 1.75%	82	-	-	82	69,700	69,301	(399)	1.59	11.31	2.00		
Javedan Corporation Limited (AA-, VIS, non-traded) (note 6.1.2.2.1)	October 4, 2026	6 months KBOR plus base rate of 1.75%	750	-	-	750	74,998	74,822	(177)	1.72	2.51	2.16		
Agha Steel Industries Limited (A+, VIS) (note 6.1.2.2.1 & 6.1.2.2.6)	October 9, 2024	3 months KBOR plus base rate of 0.80%	100	-	-	100	100,000	99,369	(631)	2.28	2.00	2.87		
AGP Limited (A+, PACRA, non-traded) (note 6.1.2.2.1)	June 9, 2022	3 months KBOR plus base rate of 1.30%	405	-	-	405	14,196	14,293	97	0.33	4.73	0.41		
Engro Polymer and Chemicals Limited (AA, PACRA, non-traded) (note 6.1.2.2.1)	July 11, 2026	3 months KBOR plus base rate of 0.90%	78	-	78	-	-	-	-	-	-	-		
Hub Power Company Limited (AA+, PACRA) (note 6.1.2.2.1)	March 19, 2024	3 months KBOR plus base rate of 1.90%	500	-	-	500	50,000	51,500	1,500	1.18	1.00	1.49		
Total							979,670	983,697	4,027					

6.1.2.2.1 The nominal value of these sukuk certificates is Rs 5,000 each except for the sukuk certificates of Agha Steel Industries Limited, Dubai Islamic Bank Pakistan Limited, Meezan Bank Limited, Shakarganj Food Products Limited which have

nominal value of Rs. 1,000,000, sukuk certificates of AGP Limited, Engro Polymer and Chemicals Limited, Hub Power Company Limited, International Brands Limited, Javedan Corporation Limited, Neelum Jhelum Hydropower Company (Pvt.) Limited which have nominal value of Rs. 100,000 and sukuk certificates of Eden Housing Limited which have nominal value of Rs 984.375.

6.1.2.2.2 The Securities and Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated July 07, 2010, prescribed certain disclosures for the schemes holding investments that were non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with the investment requirement of their constitutive documents. The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. Al Meezan Investment Management Limited (the Management Company) classified Meezan Balanced Fund (the Fund) as a 'Balanced Scheme' in accordance with the said circular. As at September 30, 2020, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires the rating of any security in the portfolio shall not be lower than the investment grade. The following are the details of non-compliant investments held by the Fund:

Name of the investee company	Type of investments	Value of investments before provision	Provision held as at September 30, 2020	Value of investments after provision	Percentage of net assets	Percentage of total market value
------(Rupees in '000)-----				-----%-----		
Arzoo Textile Mills Limited	Non-traded sukuk certificates	25,000	25,000	-	-	-
Eden Housing Limited	Non-traded sukuk certificates	4,922	4,922	-	-	-
Security Leasing Corporation Limited II	Non-traded sukuk certificates	7,701	7,701	-	-	-
Hascol Petroleum Limited	Non-traded sukuk certificates	71,957	-	71,957	1.65	2.08
		109,580	37,623	71,957		

6.1.2.2.3 Eden Housing Limited and Arzoo Textile Mills Limited sukuk certificates have been classified as non-performing by MUFAP. Therefore, in accordance with the requirements of SECP's Circular No. 33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the said Circular, an amount of Rs. 4.922 million and Rs. 25 million respectively has also been held as provision against the outstanding principal as at September 30, 2020.

6.1.2.2.4 The agreement with Security Leasing Corporation Limited (SLCL) had been amended on February 19, 2012. In accordance with the revised terms no mark-up is payable on the said sukuk with the approval of contributories to the sukuk certificate. The sukuk certificates have been classified as non-performing by MUFAP on April 3, 2012. Therefore in accordance with the requirement of Circular No. 33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the provisioning policy of the Fund, an amount of Rs. 7.701 million has also been held as provision against the outstanding principal as at September 30, 2020.

6.1.2.2.5 In accordance with the requirements of SECP's Circular No. 7 of 2009, rating of any debt security in the portfolio of Balanced Scheme shall not be lower than A-. Sukuk of Hascol Petroleum Limited has been assigned a credit rating of BBB- by VIS dated April 17, 2020 making it non-compliant.

6.1.2.2.6 Circular No. 33 of 2012 allows the asset manager to apply a mark up/mark down within available limit for valuation of any specific debt security. Exercising the discretionary power, the above mentioned Sukuks of Agha Steel Industries Limited and Hascol Petroleum Limited has been valued at a discretionary rate of 99.3688 and 95.9427 when the reported market rate on MUFAP valuation sheet as at September 30, 2020 was 95.6409 and 98.3645 respectively.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

8. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
(Rupees in '000)			
Management fee payable	8.1	7,294	887
Sindh Sales Tax on management fee payable		948	116
Allocated expenses payable	8.2	365	327
Selling and marketing expenses payable	8.3	4,295	3,910
Sales load payable		2,318	206
Sindh Sales Tax on sales load payable		301	27
		<u>15,522</u>	<u>5,473</u>

8.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (June 30, 2020: 2%) per annum of the average net assets of the Fund during the quarter ended September 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

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

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

8.3 The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 22, 2019 the Management Company, based on its own discretion has charged selling and marketing expense at 0.4% of the average annual net assets of the Fund which has also been approved by the Board.

	Note	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
(Rupees in '000)			
9. ACCRUED EXPENSES AND OTHER LIABILITIES			
Withholding tax payable		1,069	24,614
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	53,379	46,251
Provision for Federal Excise Duty and related Sindh Sales Tax on Management Fee	9.2	31,961	31,961
Provision for Federal Excise Duty and related Sindh Sales Tax on Sales load		6,838	6,838
Brokerage expenses payable		1,947	2,165
Charity payable		5,206	4,858
Shariah advisory fee		1	218
Auditors' remuneration payable		89	371
Zakat Payable		5	156
		<u>100,495</u>	<u>117,432</u>

9.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision for SWWF not been recorded in the condensed interim financial statements of the Fund for the period from May 21, 2015 to September 30, 2020, the net asset value of the Fund as at September 30, 2020 would have been higher by Re. 0.18 per unit (June 30, 2020: Re 0.16 per unit).

9.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision not been made, the NAV per unit of the Fund as at September 30, 2020 would have been higher by Re 0.13 (June 30, 2020: Re 0.14) per unit.

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 and Al Meezan Investment Management Limited - Employees Gratuity Fund and unitholders holding 10 percent or more units of the Fund's net assets.

Transactions with connected persons 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.

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

	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	7,294	887
Sindh Sales Tax on sales load payable	949	116
Sales load payable	2,318	206
Sindh Sales Tax on sales load payable	301	27
Allocated expenses payable	365	327
Selling and Marketing expenses payable	4,295	3,910
Investment of 947,787 units (June 30, 2020: 947,787 units)	14,147	12,998
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	444	405
Sindh Sales Tax on trustee fee payable	58	53
Security deposit	300	300
Bank balance	41,429	28,381
Sales load payable	16	67
Sindh Sales Tax on sales load payable	2	9
Shariah advisory fee payable	1	218
Investment of 18,886,746 units (June 30, 2020: 18,886,746 units)	281,909	259,005
Investment in 80 sukuk certificates (June 30, 2020: 80 sukuk certificates)	82,196	82,000
Investment in 1,087,273 shares (June 30, 2020: 933,885 shares)	89,385	64,298
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 473,186 units (June 30, 2020: 473,186 units)	7,063	6,489
Directors and Executives of the Management Company		
Investment of 6,613,049 units (June 30, 2020: 6,601,536 units)	98,708	90,531

**For the quarter ended
September 30**

2020 2019

(Unaudited)

(Rupees in '000)

Al Meezan Investment Management Limited - Management Company

Remuneration for the quarter	21,477	23,736
Sindh Sales Tax on management fee	2,792	3,086
Allocated expenses	1,074	1,187
Selling and Marketing expenses	4,295	4,747

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the period	1,324	1,438
Sindh Sales Tax on trustee fee	172	187
CDS charges	36	19

Meezan Bank Limited

Profit on saving account	136	173
Profit on sukuk certificates	2,393	6,270
Purchase of shares: 60,000 shares (September 30, 2019: nil)	4,837	-
Bonus shares: 93,388 shares (September 30, 2019: nil)	-	-
Shariah advisor fee	51	117

Directors and Executives of the Management Company

Units issued: 16,101 units (September 30, 2019: 1,765 units)	234	23
Units redeemed: 4,588 units (September 30, 2019: 69,267 units)	67	911

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 3.22% which includes 0.47% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Balanced Scheme.

12. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 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, 2021 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. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on Funds as per Section 4B of the Income Tax Ordinance, 2001.

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

13.1. FAIR VALUE HIERARCHY

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

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

As at September 30, 2020 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

As at September 30, 2020				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
ASSETS				
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	2,100,359	-	-	2,100,359
Sukuk certificates	-	1,367,309	-	1,367,309
	<u>2,100,359</u>	<u>1,367,309</u>	<u>-</u>	<u>3,467,668</u>

As at June 30, 2020				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
ASSETS				
Financial assets 'at fair value through profit or loss'				
Shares of listed companies - 'ordinary shares'	1,897,643	-	-	1,897,643
Sukuk certificates	-	1,369,197	-	1,369,197
	<u>1,897,643</u>	<u>1,369,197</u>	<u>-</u>	<u>3,266,840</u>

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Asset Allocation Fund

CFA



Meezan Asset Allocation Fund (MAAF)

Meezan Asset Allocation Fund (MAAF) is a Shariah compliant Asset Allocation Scheme. It is designed to help investors build wealth by long-term capital appreciation, diversification across asset classes and the flexibility to change investment portfolio exposure as per the outlook.

- **FIRST AMC IN PAKISTAN**
TO VOLUNTARILY **ADOPT AND IMPLEMENT**
THE ASSET MANAGER CODE OF PROFESSIONAL CONDUCT
SET FORTH BY **CFA INSTITUTE**



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

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

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

		September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Assets			
Balances with banks	5	336,848	245,253
Investments	6	1,208,265	1,127,264
Dividend receivable		6,758	2,711
Receivable against sale of investments		815	3,462
Receivable against conversion of units		17	3,313
Advances, deposits and other receivables		8,153	6,170
Preliminary expenses and floatation costs		100	145
Total assets		<u>1,560,956</u>	<u>1,388,318</u>
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	9	4,113	3,404
Payable to Central Depository Company of Pakistan Limited - Trustee		215	191
Payable to the Securities and Exchange Commission of Pakistan		77	311
Payable to Meezan Bank Limited		3	36
Payable against purchase of investments		128	3,294
Dividend Payable		-	4,236
Payable against redemption and conversion of units		48,786	13,080
Accrued expenses and other liabilities	7	22,818	24,464
Total liabilities		<u>76,140</u>	<u>49,016</u>
Net assets		<u>1,484,816</u>	<u>1,339,302</u>
Contingencies and commitments	8		
Unit holders' fund (as per statement attached)		<u>1,484,816</u>	<u>1,339,302</u>
		(Number of units)	
Number of units in issue		<u>35,711,243</u>	<u>36,598,971</u>
		(Rupees)	
Net asset value per unit		<u>41.5784</u>	<u>36.5940</u>

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

		September 30,	
		2020	2019
		(Rupees in '000)	
Income	Note		
Net realised gain / (loss) on sale of investments		19,515	(19,396)
Dividend income		7,434	20,429
Profit on saving accounts with banks		4,644	10,711
		<u>31,593</u>	<u>11,744</u>
Net unrealised appreciation / (diminution) on re-measurement of investments classified 'as financial assets at fair value through profit or loss'	6.1	168,756	(87,996)
Total Income / (loss)		<u>200,349</u>	<u>(76,252)</u>
Expenses			
Remuneration of AI Meezan Investment Management Limited - Management Company	9.1	5,742	6,250
Sindh Sales Tax on remuneration of the Management Company		746	813
Allocated expenses	9.2	383	417
Selling and marketing expenses	9.3	1,531	1,667
Remuneration of Central Depository Company of Pakistan Limited - Trustee		635	668
Sindh Sales Tax on remuneration of the Trustee		83	87
Annual fee to the Securities and Exchange Commission of Pakistan		77	87
Auditors' remuneration		109	76
Brokerage expenses		632	269
Charity expense		208	517
Bank and settlement charges		47	147
Amortisation of preliminary expenses and floatation costs		45	46
Fees and subscription		145	140
Provision for Sindh Worker's Welfare Fund (SWWF)	7.1	3,799	-
Total expenses		<u>14,182</u>	<u>11,184</u>
Net Income / (loss) for the quarter before taxation		<u>186,167</u>	<u>(87,436)</u>
Taxation	11		-
Net Income / (loss) for the quarter after taxation		<u>186,167</u>	<u>(87,436)</u>
Allocation of net income for the quarter			
Net income for the quarter after taxation		186,167	-
Income already paid on units redeemed		(12,579)	-
		<u>173,588</u>	<u>-</u>
Accounting income available for distribution			
- Relating to capital gains		173,588	-
- Excluding capital gains		-	-
		<u>173,588</u>	<u>-</u>

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

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	<u>September 30,</u>	
	<u>2020</u>	<u>2019</u>
	<u>(Rupees in '000)</u>	
Net Income / (loss) for the quarter after taxation	186,167	(87,436)
Other comprehensive income for the quarter	-	-
Total comprehensive income / (loss) for the quarter	<u>186,167</u>	<u>(87,436)</u>

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

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

Chief Executive

Chief Financial Officer

Director

MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September, 2020			September, 2019		
	Capital Value	Accumulated losses	Total	Capital Value	Accumulated losses	Total
	----- Rupees in 000-----			----- Rupees in 000-----		
Net assets at beginning of the quarter	2,270,614	(931,312)	1,339,302	2,862,681	(1,008,670)	1,854,011
Issuance of 5,680,682 units (2019: 582,793 units)						
- Capital value (at net asset value per unit beginning of the quarter)	207,879	-	207,879	20,650	-	20,650
- Element of income / (loss)	22,973	-	22,973	(1,403)	-	(1,403)
Total proceeds on issuance of units	230,852	-	230,852	19,247	-	19,247
Redemption of 6,568,410 units (2019: 5,174,617 units)						
- Capital value (at net asset value per unit beginning of the quarter)	240,364	-	240,364	183,351	-	183,351
- Element of loss / (income)	18,562	12,579	31,141	(13,487)	-	(13,487)
Total payments on redemption of units	258,926	12,579	271,505	169,864	-	169,864
Total comprehensive income / (loss) for the quarter	-	186,167	186,167	-	(87,436)	(87,436)
Distribution during the quarter	-	-	-	-	-	-
Net Income / (loss) for the quarter less distribution	-	186,167	186,167	-	(87,436)	(87,436)
Net assets at end of the quarter	2,242,540	(757,724)	1,484,816	2,712,064	(1,096,106)	1,615,958
Accumulated loss brought forward						
- Realised loss		(982,342)			(593,083)	
- Unrealised income / (loss)		51,030			(415,587)	
		<u>(931,312)</u>			<u>(1,008,670)</u>	
Accounting income available for distribution						
- Relating to capital gains	173,588			-		
- Excluding capital gains	-			-		
	<u>173,588</u>			<u>-</u>		
Net loss for the quarter after taxation					(87,436)	
Distribution during the quarter					-	
Accumulated loss carried forward		<u>(757,724)</u>			<u>(1,096,106)</u>	
Accumulated loss carried forward						
- Realised loss		(926,480)			(1,008,110)	
- Unrealised income / (loss)		168,756			(87,996)	
		<u>(757,724)</u>			<u>(1,096,106)</u>	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter	<u>36.5940</u>			<u>35.4328</u>		
Net assets value per unit at end of the quarter	<u>41.5784</u>			<u>33.8542</u>		

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30,	
	2020	2019
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income / (loss) for the quarter before taxation	186,167	(87,436)
Adjustments for:		
Amortisation of preliminary expenses and floatation costs	45	46
Net unrealised (appreciation) / diminution on re-measurement of investments classified 'as financial assets at fair value through profit or loss'	6.1 (168,756)	87,996
	<u>17,456</u>	<u>606</u>
Decrease / (Increase) in assets		
Investments	87,755	65,800
Dividend receivable	(4,047)	(20,161)
Receivable against sale of investments	2,647	(17,561)
Advances, deposits and other receivables	(1,983)	(3,594)
	84,372	24,484
Increase / (Decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	709	(877)
Payable to Central Depository Company of Pakistan Limited - Trustee	24	(317)
Payable to the Securities and Exchange Commission of Pakistan	(234)	(2,293)
Payable to Meezan Bank Limited	(33)	(35)
Payable against purchase of investments - net	(3,166)	-
Accrued expenses and other liabilities	(1,646)	398
	(4,346)	(3,124)
Net cash generated from operating activities	<u>97,482</u>	<u>21,966</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	234,148	19,247
Dividend Paid	(4,236)	-
Payment against redemption and conversion of units	(235,799)	(174,478)
Net cash used in financing activities	(5,887)	(155,231)
Net increase / (decrease) in cash and cash equivalents during the quarter	<u>91,595</u>	<u>(133,265)</u>
Cash and cash equivalents at beginning of the quarter	245,253	421,539
Cash and cash equivalents at end of the quarter	<u><u>336,848</u></u>	<u><u>288,274</u></u>

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Asset Allocation Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The trust deed was executed on November 25, 2015 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) on November 16, 2015. The initial offering period of the Fund was from April 18, 2016 to April 20, 2016 and the Fund commenced its operations from April 21, 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 objective of the Fund is to earn potentially high return through asset allocation between Shariah Compliant Equity Instruments, Shariah Compliant Fixed Income Instruments, Shariah Compliant Money Market Instruments and any other Shariah Compliant instruments as permitted by the SECP and the Shariah Advisor. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah Compliant Asset Allocation Scheme. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2019: AM1 dated December 29, 2018) and by PACRA dated June 26, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement Of Compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020.

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, 2020. 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, 2020.

4.3 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, 2020. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
In saving accounts	5.1	332,252	241,399
In current accounts		4,596	3,854
		<u>336,848</u>	<u>245,253</u>

5.1 The balance in saving accounts have an expected profit ranging from 2.31% to 6.25% per annum (June 30, 2020: 1.5% to 7.5% per annum).

6. INVESTMENTS	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Investments at 'fair value through profit or loss'			
Shares of listed companies 'ordinary shares'	6.1	<u>1,208,265</u>	<u>1,127,264</u>

6.1 Shares of listed companies 'ordinary shares'

Name of the investee company	As at July 1, 2020	Purchases during the quarter	Bonus / right issue	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to		
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	Total market value of investments
						----- (Rupees in '000) -----			----- % -----		

Sectors/ Companies

Automobile Assembler

Agriauto Industries Limited	40,000	-	-	27,000	13,000	2,366	3,133	767	0.30	0.09	0.26
Honda Atlas Cars (Pakistan) Limited	100	-	-	-	100	19	26	7	0.00	0.00	0.00
Indus Motor Company Limited	7,960	-	-	-	7,960	7,920	10,190	2,270	0.98	0.01	0.84
Milat Tractors Limited	2,000	5,550	-	-	7,550	6,187	6,533	346	0.63	-	0.54
									1.91	0.10	1.65

Chemicals

Engro Polymer & Chemicals Limited	546,261	95,000	-	-	641,261	16,644	25,817	9,173	2.48	0.07	2.14
Ittehad Chemical Limited	100,000	-	-	-	100,000	2,635	2,759	124	0.27	0.11	0.23
Sitara Peroxide Limited	149,000	-	-	149,000	-	-	-	-	-	-	-
ICI Pakistan Limited	50,400	-	-	1,500	48,900	33,971	35,384	1,412	3.40	0.05	2.93
									6.15	0.23	5.29

Cement

Cherat Cement Company Limited	86,500	-	-	27,000	59,500	5,187	6,947	1,761	0.67	0.03	0.57
D.G. Khan Cement Company Limited	152,500	95,500	-	39,000	209,000	19,178	21,550	2,372	2.07	0.05	1.78
Fauji Cement Company Limited	199,500	-	-	100,000	99,500	1,680	1,978	299	0.19	0.01	0.16
Kohat Cement Company Limited	238,000	10,000	-	35,500	212,500	29,334	36,282	6,948	3.49	0.11	3.00
Lucky Cement Limited	184,549	-	-	12,000	172,549	79,645	111,651	32,006	10.74	0.05	9.24
Maple Leaf Cement Factory Limited	375,707	400,000	-	90,000	685,707	19,498	24,610	5,112	2.00	-	2.00
Pioneer Cement Limited	500	-	-	-	500	32	45	14	-	-	-
									19.16	0.25	16.77

Commercial Banks

Meezan Bank Limited (an associate)	553,446	-	55,344	-	608,790	38,105	50,049	11,944	4.81	0.05	4.14
Bank Islami Pakistan Limited	170,000	-	-	75,000	95,000	718	979	261	0.09	0.01	0.08
									4.91	0.06	4.22

Engineering

International Industries Limited	68,200	20,000	-	24,000	64,200	7,194	9,305	2,111	0.90	0.05	0.77
International Steels Limited	125,000	-	-	-	125,000	6,456	9,630	3,174	0.93	-	0.80
Mughal Iron and Steel Industries Limited	-	134,500	-	-	134,500	7,470	8,646	1,176	0.83	0.05	0.72
									2.65	0.10	2.28

Fertilizer

Engro Corporation Limited	400,460	7,871	-	63,996	344,335	100,981	103,655	2,674	9.97	0.06	8.58
Fatima Fertilizers Limited	52,500	-	-	52,500	-	-	-	-	-	-	-
Engro Fertilizers Limited	782,000	90,000	-	72,000	800,000	48,584	48,656	72	4.68	0.06	4.03
									14.65	0.12	12.61

Food and Personal Care Products

Al-Shaheer Corporation Limited	5,199	-	-	-	5,199	59	100	40	0.01	0.00	0.01
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Name of the investee company	As at July 1, 2020	Purchases during the quarter	Bonus / right issue	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to				
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	Total market value of investments		
					(Number of shares)			(Rupees in '000)			%		
Oil and Gas Exploration Companies													
Attock Petroleum Limited	25,000	-	-	-	25,000	7,630	8,537	907	0.82	0.03	0.71		
Oil and Gas Development Company Limited	945,300	-	-	258,879	686,421	74,820	71,113	(3,707)	6.84	0.02	5.89		
Mari Petroleum Company Limited	91,552	-	-	12,220	79,332	98,106	108,647	10,541	10.45	0.06	8.99		
Pakistan Oilfields Limited	150,550	-	-	32,500	118,050	41,392	49,738	8,346	4.78	0.04	4.12		
Pakistan Petroleum Limited	856,428	104,000	-	202,000	758,428	67,000	69,821	2,821	6.72	0.03	5.78		
									29.62	0.17	25.48		
Oil and Gas Marketing Companies													
Hascol Petroleum Limited	1,555,610	100,000	-	1,331,500	324,110	4,693	6,541	1,848	0.63	0.16	0.54		
Pakistan State Oil Company Limited	275,477	-	-	24,700	250,777	39,663	50,206	10,543	4.83	0.05	4.16		
Shell Pakistan Limited	-	25,000	-	-	25,000	6,542	6,137	(406)	0.59	0.00	0.51		
H-Tech Lubricants Limited	50,000	-	-	-	50,000	1,514	2,126	612	0.20	0.01	0.18		
Sui Northern Gas Pipelines Limited	423,400	25,000	-	96,500	351,900	19,309	21,751	2,442	2.09	0.06	1.80		
									8.35	0.28	7.18		
Paper and Board													
Security Paper Limited	-	20,000	-	-	20,000	4,450	4,335	(115)	0.42	0.03	0.36		
Roshan Packages Limited	100,000	6,000	-	-	106,000	2,479	3,676	1,197	0.35	0.12	0.30		
Century Paper and Board Mills	68,000	35,000	-	-	103,000	7,750	11,457	3,707	1.10	0.12	0.95		
Packages Limited	52,150	4,000	-	-	56,150	19,712	28,206	8,493	2.71	0.06	2.33		
									4.59	0.33	3.95		
Pharmaceuticals													
Abbott Laboratories (Pakistan) Limited	50	-	-	-	50	33	38	5	-	-	-		
AGP Limited	302,500	-	-	-	302,500	33,196	32,973	(224)	3.17	0.11	2.73		
GlaxoSmithKline Consumer Healthcare Limited	31,900	-	-	-	31,900	8,667	9,240	574	0.89	0.03	0.76		
The Searle Company Limited	95,849	50,000	-	6,000	139,849	31,066	35,845	4,778	3.45	0.07	2.97		
									7.51	0.20	6.46		
Power Generation and Distribution													
K-Electric Limited (face value Rs. 3.5)	4,179,500	-	-	900,000	3,279,500	9,871	13,807	3,935	1.33	0.01	1.14		
The Hub Power Company Limited	1,178,797	-	-	490,500	688,297	49,902	54,004	4,102	5.20	0.05	4.47		
									6.52	0.06	5.61		
Technology and Communication													
Avanceon Limited	110,000	25,000	-	50,000	85,000	3,204	5,714	2,509	0.55	0.04	0.47		
Pakistan Telecommunication Company Limited	-	750,000	-	-	750,000	7,265	8,108	843	0.78	0.02	0.67		
Netsol Tech	-	65,000	-	13,000	52,000	3,762	3,126	(636)	0.30	0.06	0.26		
Systems Limited	79,200	-	-	-	79,200	14,547	21,546	6,998	2.07	0.06	1.78		
									3.70	0.19	3.19		
Textile Composite													
Interloop Limited	492,712	-	-	30,000	462,712	20,322	31,025	10,703	2.98	0.05	2.57		
Feroze1888 Mills Limited	134,500	-	-	56,000	78,500	6,421	8,216	1,795	0.79	0.02	0.68		
Nishat Mills Limited	141,000	30,000	-	-	171,000	14,161	17,283	3,122	1.66	0.05	1.43		
									5.44	0.12	4.68		
Miscellaneous													
Shifa International Hospital Ltd	-	14,000	-	-	14,000	3,603	3,119	(484)	0.30	0.02	0.26		
Synthetic Products Enterprises Limited	-	90,000	-	-	90,000	4,566	4,010	(556)	0.39	0.10	0.33		
									0.69	0.12	0.59		
Total						1,039,509	1,208,265	168,756				100%	

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which have a nominal value of Rs 3.5 each and Agriauto Industries Limited which have a nominal value of Rs 5 each.

6.1.2 Investments include 105,000 shares (June 30, 2020: 105,000 shares) of Engro Corporation Limited, having market value of Rs 31.61 million (June 30, 2020: Rs 30.76 million) as at September 30, 2020, which have been pledged with National Clearing Company of Pakistan for guaranteeing settlement of Fund's trades in accordance with Circular 11 dated October 23, 2007 by SECP.

6.2 The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2020. As at September 30, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 1.414 million (June 30, 2020: Rs. 1.453 million).

7. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Charity payable		2,961	2,753
Brokerage payable		1,872	2,416
Auditors' remuneration payable		79	195
Withholding tax payable		355	5,373
Capital gain tax payable		393	255
Provision for Sindh Workers' Welfare Fund (SWWF)	7.1	16,379	12,579
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	7.2	482	482
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	7.2	145	145
Shariah advisory fee payable		130	266
Zakat payable		22	-
		<u>22,818</u>	<u>24,464</u>

7.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision for SWWF not been recorded in the condensed interim financial statements, the NAV per unit of the Fund would have been higher by Re 0.46 per unit as at September 30, 2020 (June 30, 2020 : Re. 0.34 per unit).

7.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision for Federal Excise Duty not being made, the Net Asset Value per unit of the Fund as at September 30, 2020 would have been higher by Re 0.02 (June 30, 2020: Re 0.02) per unit.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

9. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED- MANAGEMENT COMPANY	Note	September 30. 2020 (Unaudited)	June 30. 2020 (Audited)
		-----Rupees in 000-----	
Management fee payable	9.1	1,964	1,667
Sindh Sales Tax on Management fee payable Management Company		255	217
Allocated expenses payable	9.2	131	111
Sales load payable		205	86
Sindh Sales Tax Payable on sales load		27	12
Selling and marketing expenses payable	9.3	1,531	1,311
		<u>4,113</u>	<u>3,404</u>

9.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1.5% (2020: 1.5%) per annum of the average net assets of the Fund during the quarter ended September 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

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

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

- 9.3 The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 22, 2019 the Management Company, based on its own discretion has charged selling and marketing expense at 0.4% of the average annual net assets of the Fund which has also been approved by the Board.

10. 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, others 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 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.

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

	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	1,964	1,667
Sindh Sales Tax on management fee payable	255	217
Sales load payable	205	86
Sindh sales tax on sales load payable	27	12
Allocated expense payable	131	111
Selling & marketing expense payable	1,531	1,311
Meezan Bank Limited		
Sales load payable	3	32
Sindh Sales Tax on sales load payable	-	4
Bank balance	32,827	20,861
Profit receivable on saving account	53	52
Investment in 608,790 shares (June,30 2020: 553,446 shares)	50,049	38,105
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	190	169
Sindh Sales Tax on trustee fee payable	25	22
Security deposit	100	100
Directors and Executives of the Management Company		
Investments as at September 30, 2020: 372,975 units (June 30, 2020: 329,538 units)	15,508	12,059

	For the quarter ended September 30,	
	2020	2019
	(Rupees in '000)	
	(Unaudited)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration for the quarter	5,742	6,250
Sindh Sales Tax on management fee for the quarter	746	813
Allocated expenses	383	417
Selling and marketing expense	1,531	1,667
Meezan Bank Limited		
Bonus shares issued: 55,344 shares (September 30, 2019: Nil shares)	-	-
Profit on saving account	124	250
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration for the quarter	635	668
Sindh Sales Tax on trustee fee for the quarter	83	87
CDS charges	19	22
Directors and Executives of the Management Company		
Units issued: 194,044 (September 30, 2019: Nil units)	7,829	-
Units redeemed: 150,609 units (September 30, 2019: Nil units)	6,176	-

11. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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 quarter as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2021 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.

12. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 2.85% which includes 0.49% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund (if any), sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Asset Allocation scheme.

13. FAIR VALUE 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.



Fair value hierarchy

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

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

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

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

As at September 30, 2020, the Fund held the following financial instruments measured at fair values:

As at September 30, 2020			
Level 1	Level 2	Level 3	Total
ASSETS			
----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'			
Shares of listed companies 'ordinary shares'	1,208,265	-	-
			1,208,265

As at June 30, 2020			
Level 1	Level 2	Level 3	Total
ASSETS			
----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'			
Shares of listed companies 'ordinary shares'	1,127,264	-	-
			1,127,264

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Dedicated Equity Fund

Meezan Dedicated Equity Fund (MDEF)

Meezan Dedicated Equity Fund aims to provide Fund of Funds scheme a dedicated platform to seek long term capital appreciation.

**LARGEST INDUSTRY
CUSTOMER** BASE OF OVER
120,000



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

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

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

		September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Assets			
Balances with banks	5	13,228	22,127
Investments	6	764,897	595,501
Receivable against sale of investments		4,653	5,113
Dividend receivable		4,015	178
Deposits and other receivables		3,989	3,929
Total assets		<u>790,782</u>	<u>626,848</u>
Liabilities			
Payable to AI Meezan Investment Management Limited -Management Company	8	2,370	1,818
Payable to Central Depository Company of Pakistan Limited -Trustee		272	117
Payable to the Securities and Exchange Commission of Pakistan		247	209
Payable against purchase of investments		-	2,616
Payable against redemption and conversion of units		-	36
Accrued expenses and other liabilities	9	5,315	3,037
Total liabilities		<u>8,204</u>	<u>7,833</u>
Net assets		<u>782,578</u>	<u>619,015</u>
Contingencies and commitments	7		
Unit holders' fund (as per statement attached)		<u>782,578</u>	<u>619,015</u>
		(Number of units)	
Number of units in issue		<u>19,392,744</u>	<u>17,888,339</u>
		(Rupees)	
Net asset value per unit		<u>40.3542</u>	<u>34.6044</u>

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UNAUDITED)**

	Note	September 30,	
		2020	2019
		(Rupees in '000)	
Income			
Net realised gain / (loss) on sale of investments		12,346	(69,896)
Dividend income		4,402	18,897
Profit on saving accounts with banks		129	3,852
Other Income		-	500
		16,877	(46,647)
Net unrealised appreciation / (diminution) on re-measurement of investments 'at fair value through profit or loss'	6.1	95,852	(72,455)
Total Income / (loss)		112,729	(119,102)
Expenses			
Remuneration to AI Meezan Investment Management Limited - Management Company	8.1	3,767	6,431
Sindh Sales Tax on management fee		490	836
Allocated expenses	8.2	188	322
Selling and marketing expenses	8.3	753	1,286
Remuneration to Central Depository Company of Pakistan Limited - Trustee		480	573
Sindh Sales Tax on trustee fee		62	75
Annual fee to Securities and Exchange Commission of Pakistan		38	68
Auditors' remuneration		53	57
Brokerage expenses		565	740
Charity expense		127	532
Bank and settlement charges		19	38
Fees and subscription		137	140
Printing expenses		-	10
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	2,121	-
Total expenses		8,800	11,108
Net Income / (loss) for the quarter before taxation		103,929	(130,210)
Taxation	12	-	-
Net Income / (loss) for the quarter after taxation		103,929	(130,210)
Allocation of net income for the quarter			
Net income for the quarter after taxation		103,929	-
Income already paid on units redeemed		(8,903)	-
		95,026	-
Accounting income available for distribution			
- Relating to capital gains		95,026	-
- Excluding capital gains		-	-
		95,026	-

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

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UNAUDITED)**

	September 30,	
	2020	2019
	(Rupees in '000)	
Net Income / (loss) for the quarter after taxation	103,929	(130,210)
Other comprehensive income for the period	-	-
Total comprehensive Income / (loss) for the quarter	103,929	(130,210)

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

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

Chief Executive

Chief Financial Officer

Director

MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDER'S FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UNAUDITED)

	Quarter Ended September 30, 2020			Quarter Ended September 30, 2019		
	Capital Value	Undistrib-uted income / Accumu-lated losses	Total	Capital Value	Accumu-lated losses	Total
	------(Rupees in '000)-----			------(Rupees in '000)-----		
Net assets at the beginning of the quarter	1,410,246	(791,231)	619,015	2,436,503	(675,429)	1,761,074
Issue of 3,500,433 units (2019: 5,823,986 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	121,130	-	121,130	206,799	-	206,799
- Element of income / (loss)	17,471	-	17,471	(19,800)	-	(19,800)
Total proceeds on issuance of units	138,601	-	138,601	186,999	-	186,999
Redemption of 1,996,028 units (2019: 24,373,287 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	69,072	-	69,072	865,449	-	865,449
- Element of income	992	8,903	9,895	(72,014)	-	(72,014)
Total payments on redemption of units	70,064	8,903	78,967	793,435	-	793,435
Total comprehensive Income / (loss) for the quarter	-	103,929	103,929	-	(130,210)	(130,210)
Distribution during the quarter	-	-	-	-	-	-
Net income (loss) for the quarter less distribution	-	103,929	103,929	-	(130,210)	(130,210)
Net assets at the end of the quarter	1,478,783	(696,205)	782,578	1,830,067	(805,639)	1,024,428
Accumulated loss brought forward						
- Realised loss		(821,914)			(336,679)	
- Unrealised gain / (loss)		30,683			(338,750)	
		<u>(791,231)</u>			<u>(675,429)</u>	
Accounting income available for distribution						
- Relating to capital gains		95,026			-	
- Excluding capital gains		-			-	
		<u>95,026</u>			<u>-</u>	
Net Income / (loss) for the quarter after taxation		-			(130,210)	
Distribution during the quarter		-			-	
Accumulated loss carried forward		<u>(696,205)</u>			<u>(805,639)</u>	
Accumulated loss carried forward						
- Realised loss		(792,057)			(733,184)	
- Unrealised gain / (loss)		95,852			(72,455)	
		<u>(696,205)</u>			<u>(805,639)</u>	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the quarter			<u>34.6044</u>			<u>35.5081</u>
Net assets value per unit at the end of the quarter			<u>40.3542</u>			<u>32.9959</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UNAUDITED)**

	September 30 ,	
	2020	2019
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income / (loss) for the quarter before taxation	103,929	(130,210)
Adjustments for		
Net unrealised (appreciation) / diminution on re-measurement of investments 'at fair value through profit or loss'	(95,852)	72,455
	<u>8,077</u>	<u>(57,755)</u>
Decrease / (Increase) in assets		
Investments - net	(73,544)	637,863
Dividend receivable	(3,837)	(17,804)
Receivable against sale of investments	460	(18,854)
Advances, prepayments and other receivables	(60)	(992)
	<u>(76,981)</u>	<u>600,213</u>
(Decrease) / Increase in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	552	(1,883)
Payable to Central Depository Company of Pakistan Limited - Trustee	155	(69)
Payable to Securities and Exchange Commission of Pakistan	38	(1,796)
Payable against purchase of investments	(2,616)	-
Accrued expenses and other liabilities	2,278	(604)
	<u>407</u>	<u>(4,352)</u>
Net cash (used in) / generated from operating activities	<u>(68,497)</u>	<u>538,106</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	138,601	186,999
Payment against redemption and conversion of units	(79,003)	(794,935)
Net cash generated from / (used in) financing activities	<u>59,598</u>	<u>(607,936)</u>
Net decrease in cash and cash equivalents during the quarter	<u>(8,899)</u>	<u>(69,830)</u>
Cash and cash equivalents at the beginning of the quarter	22,127	110,688
Cash and cash equivalents at the end of the quarter	<u><u>13,228</u></u>	<u><u>40,858</u></u>

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

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

Chief Executive

Chief Financial Officer

Director

MEEZAN DEDICATED EQUITY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UNAUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Dedicated Equity Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on October 9, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to enable the unit holders to participate in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah Compliant Equity Scheme. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2019: AM1 dated December 28, 2018) and by PACRA dated June 26, 2020 (2019: dated June 28, 2019). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES / ACCOUNTING ESTIMATES, JUDGEMENTS 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, 2020.
- 4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. 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, 2020.
- 4.3 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, 2020. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
In saving accounts	5.1	8,698	18,385
In current accounts		4,530	3,742
		<u>13,228</u>	<u>22,127</u>

- 5.1 The balances in saving accounts have an expected profit ranging from 2.31% to 6.25% per annum. (June 30, 2020: 1.50% to 7.50% per annum).

6. INVESTMENTS	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Investments - 'at fair value through profit or loss'	6.1	764,897	595,501
		<u>764,897</u>	<u>595,501</u>

- 6.1 Investments - 'at fair value through profit or loss'

Name of the investee company	As at July 1, 2020	Purchases during the quarter	Bonus issue / Right shares	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to		
									Net assets of the fund	Paid up capital of investee company (with face value of investment)	Total market value of investment
Number of shares						(Rupees in '000)					

Sectors / companies

Automobile Assembler

Honda Atlas Cars (Pakistan) Limited	10,100	-	-	-	10,100	1,956	2,615	659	0.33	0.01	0.34
Indus Motor Company Limited	4,740	-	-	-	4,740	4,716	6,068	1,352	0.78	0.01	0.79
Milat Tractors Limited	2,000	3,500	-	-	5,500	4,338	4,759	421	0.61	0.01	0.62
									1.72	0.03	1.75

Automobile Parts & Accessories

Agriauto Industries Limited (Note 6.1.1)	20,000	-	-	9,100	10,900	1,984	2,627	643	0.34	0.08	0.34
									0.34	0.08	0.34

Commercial Banks

BankIslami Pakistan Limited	80,000	-	-	30,000	50,000	378	516	138	0.07	-	0.07
Meezan Bank Limited (an associate)	261,005	75,001	33,600	5,000	364,606	23,982	29,974	5,992	3.83	0.03	3.92
									3.90	0.03	3.99

Cement

Attock Cement Pakistan Limited	15,200	23,800	-	15,200	23,800	3,780	3,634	(146)	0.46	0.02	0.48
Cherat Cement Company Limited	45,000	-	-	25,000	20,000	1,743	2,335	592	0.30	0.01	0.31
D.G. Khan Cement Company Limited	81,000	75,000	-	50,500	105,500	10,336	10,878	542	1.39	0.02	1.42
Fauji Cement Company Limited	191,500	-	-	125,000	66,500	1,123	1,322	200	0.17	-	0.17
Kohat Cement Company Limited	132,370	9,200	-	26,000	115,570	15,995	19,732	3,738	2.52	0.06	2.58
Lucky Cement Limited	88,650	22,000	-	-	110,650	53,863	71,598	17,735	9.15	0.03	9.36
Maple Leaf Cement Factory Limited	130,000	365,000	-	60,000	435,000	12,959	15,612	2,653	1.99	0.07	2.04
									15.98	0.21	16.36

Chemical

Engro Polymer & Chemicals Limited	262,644	184,500	-	-	447,144	12,806	18,002	5,196	2.30	0.05	2.35
ICI Pakistan Limited	25,300	3,000	-	-	28,300	19,868	20,478	609	2.62	0.03	2.68
Ittehad Chemical Limited	50,000	-	-	-	50,000	1,318	1,380	62	0.18	0.06	0.18
Lotte Chemical Pakistan Limited	111,500	100,000	-	50,000	161,500	1,718	1,938	220	0.25	0.01	0.25
Stara Peroxide Limited	65,000	-	-	65,000	-	-	-	-	-	-	-
									5.35	0.15	5.46

Engineering

International Industries Limited	50,700	20,000	-	22,000	48,700	5,772	7,059	1,287	0.90	0.04	0.92
International Steels Limited	120,000	-	-	20,000	100,000	5,165	7,704	2,539	0.98	0.02	1.01
Mughal Iron & Steel Industries Limited	29,500	54,500	-	-	84,000	4,223	5,400	1,176	0.69	0.03	0.71
									2.57	0.09	2.64

Fertilizer

Engro Corporation Limited	199,326	32,668	-	11,041	220,953	65,349	66,513	1,165	8.50	0.04	8.70
Dawood Hercules Corporation Limited	8,500	-	-	8,500	-	-	-	-	-	-	-
Fatima Fertilizer Limited	57,000	-	-	57,000	-	-	-	-	-	-	-
Engro Fertilizers Limited	422,393	88,500	-	119,000	391,893	23,882	23,835	(47)	3.05	0.03	3.12
									11.55	0.07	11.82

Miscellaneous

Shifa International hospital Limited	-	7,000	-	-	7,000	1,813	1,559	(254)	0.20	0.01	0.20
synthetic product enterprise limited	-	50,000	-	-	50,000	2,300	2,228	(72)	0.28	0.06	0.29
									0.48	0.07	0.49

Food And Personal Care

At Tahur Limited	91	-	-	-	91	2	2	-	-	-	-
									-	-	-

Glass And Ceramics

Ghani Glass Limited	100,000	-	-	12,000	88,000	3,621	4,594	973	0.59	0.02	0.60
									0.59	0.02	0.60

Name of the investee company	As at July 1, 2020	Purchases during the quarter	Bonus issue / Right shares	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Percentage in relation to		
									Net assets of the fund	Paid up capital of investee company (with face value of investment)	Total market value of investment
Number of shares						Rupees in '000					
Oil & Gas Exploration Companies											
Mari Petroleum Company Limited	48,108	3,240	-	2,000	49,348	61,810	67,583	5,773	8.64	0.04	8.84
Oil & Gas Development Company Limited	483,200	55,000	-	142,500	395,700	43,355	40,995	(2,360)	5.24	0.01	5.36
Pakistan Oilfields Limited	81,060	-	-	12,000	69,060	24,215	29,097	4,883	3.72	0.02	3.80
Pakistan Petroleum Limited	420,404	160,330	-	89,000	491,734	44,559	45,269	710	5.78	0.02	5.93
									23.38	0.09	23.93
Oil & Gas Marketing Companies											
Attock Petroleum Limited	21,200	-	-	-	21,200	6,470	7,239	769	0.93	0.02	0.95
Hascol Petroleum Limited	390,948	200,000	-	400,000	190,948	2,800	3,853	1,053	0.49	0.10	0.50
Hi - Tech Lubricants Limited	100,000	50,000	-	-	150,000	4,827	6,378	1,551	0.81	0.03	0.83
Pakistan State Oil Company Limited	101,772	39,899	-	-	141,671	23,284	28,363	5,078	3.62	0.02	3.71
Shell Pakistan Limited	-	25,500	-	-	25,500	6,700	6,259	(440)	0.80	0.02	0.82
Sui Northern Gas Pipelines Limited	213,600	138,000	-	30,000	321,600	18,195	19,878	1,683	2.54	0.05	2.60
									9.19	0.24	9.41
Paper & Board											
Century Paper Limited	45,000	50,000	-	-	95,000	7,412	10,567	3,155	1.35	0.22	1.38
Packages Limited	32,650	14,000	-	-	46,650	18,192	23,434	5,241	2.99	0.05	3.06
Security Paper Limited	-	10,000	-	-	10,000	2,200	2,167	(33)	0.28	0.02	0.28
Roshan Packages Limited	50,500	-	-	-	50,500	1,132	1,751	619	0.22	0.04	0.23
									4.84	0.33	4.95
Pharmaceuticals											
AGP Limited	147,000	-	-	15,000	132,000	14,486	14,388	(98)	1.84	0.05	1.88
Ferozsons laboratories Limited	-	100	-	-	100	38	40	2	0.01	-	0.01
Glaxosmithkline Consumer Healthcare Limited	12,900	-	-	2,200	10,700	2,907	3,099	192	0.40	0.01	0.41
Hignoon Laboratories Limited	5,400	-	-	1,650	3,750	1,880	2,303	423	0.29	0.01	0.30
The Searle Company Limited	55,055	49,000	-	-	104,055	23,938	26,670	2,732	3.41	0.05	3.49
									5.95	0.12	6.09
Power Generation & Distribution											
K-Electric Limited (note 6.1.1)	2,054,500	-	-	250,000	1,804,500	5,432	7,597	2,165	0.97	0.01	0.99
The Hub Power Company Limited	587,754	-	-	265,399	322,355	23,371	25,292	1,921	3.23	0.02	3.31
									4.20	0.03	4.30
Technology & Communication											
Avanceon Limited	147,400	35,000	-	80,000	102,400	4,822	6,883	2,061	0.88	0.05	0.90
Netsol Technologies Limited	-	115,000	-	102,500	12,500	842	751	(90)	0.10	0.01	0.10
Pakistan Telecommunication company Limited	-	500,000	-	-	500,000	4,920	5,405	485	0.69	0.04	0.71
Systems Limited	62,800	10,000	-	25,000	47,800	8,801	13,004	4,203	1.66	0.04	1.70
									3.33	0.14	3.41
Textile Composite											
Feroze1888 Mills Limited	91,300	-	-	55,500	35,800	2,928	3,747	818	0.48	0.01	0.49
Interloop Limited	207,382	40,000	-	5,000	242,382	11,489	16,252	4,763	2.08	0.03	2.12
Nshat Mills Limited	56,200	85,000	-	-	141,200	13,052	14,271	1,219	1.82	0.04	1.87
									4.38	0.08	4.48
Vanaspati & Allied Industries											
Unity Foods Limited	100,000	-	-	100,000	-	-	-	-	-	-	-
Total						669,045	764,897	95,852			

6.1.1 All shares have a nominal value of Rs. 10 each except for the shares of K-Electric Limited and Agriauto Industries Limited which have a nominal value of Rs. 3.50 and Rs. 5 each respectively.

6.2 The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2020. As at September 30, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.226 million (June 30, 2020: Rs. 0.257 million)..

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

		September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
8. PAYABLE TO AL MEEZAN MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note		
Management fee payable	8.1	1,364	1,024
Sindh Sales Tax on Management fee payable		178	133
Allocated expenses payable	8.2	75	58
Selling and marketing expenses payable	8.3	753	603
		<u>2,370</u>	<u>1,818</u>

8.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% (2020: 2%) per annum of the average net assets of the Fund during the quarter ended September 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

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

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

8.3 The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 22, 2019 the Management Company, based on its own discretion has charged selling and marketing expense at 0.4% of the average annual net assets of the Fund which has also been approved by the Board.

		September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
9. ACCRUED EXPENSES AND OTHER LIABILITIES			
Withholding tax payable		73	-
Printing expenses payable		69	69
Auditors' remuneration payable		74	250
Brokerage payable		1,251	982
Charity payable		1,594	1,467
Provision for Sindh Worker's Welfare Fund	9.1	2,121	-
Shariah advisor fee payable		133	269
		<u>5,315</u>	<u>3,037</u>

9.1. The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Sindh Workers' Welfare Fund not been made, the net asset value per unit as at September 30, 2020 would have been higher by Re. 0.11 (June 30, 2020: Re: nil per unit).

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 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.

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

Balances	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
AI Meezan Investment Management Limited - the Management Company		
Remuneration payable	1,364	1,024
Sindh Sales Tax payable on management fee	178	133
Selling and marketing expenses payable	753	603
Allocated expense payable	75	58
Meezan Bank Limited		
Balances with bank	1,715	10,123
Profit receivable on saving accounts	6	12
Investment in shares: 364,606 shares (June 30, 2020: 261,005 shares)	29,974	17,970
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	241	104
Sindh Sales Tax on trustee fee payable	31	13
Security deposit	103	103
Meezan Financial Planning Fund of Funds MAAP I		
Investment of 2,948,758 units (June 30, 2020: 2,948,758 units)	118,995	102,040
Meezan Strategic Allocation Fund MSAP - I		
Investment of 6,022,570 units (June 30, 2020: 6,022,570 units)	243,036	208,407
Meezan Strategic Allocation Fund MSAP - II		
Investment of 416,520 units (June 30, 2020: 320,475 units)	16,808	11,090
Meezan Strategic Allocation Fund MSAP - III		
Investment of 2,872,358 units (June 30, 2020: 2,872,358 units)	115,912	99,396
Meezan Strategic Allocation Fund MSAP - IV		
Investment of 2,690,115 units (June 30, 2020: 2,690,115 units)	108,557	93,090
Meezan Strategic Allocation Fund MSAP - V		
Investment of 1,001,742 units (June 30, 2020: 1,001,742 units)	40,424	34,665
Meezan Strategic Allocation Fund - II MCPP-IV		
Investment of 2,375,529 units (June 30, 2020: 1,007,398 units)	95,862	34,860
Meezan Strategic Allocation Fund - II MCPP-V		
Investment of 29,031 units (June 30, 2020: nil units)	1,172	-
Meezan Strategic Allocation Fund - III MCPP-IX		
Investment of 1,036,120 units (June 30, 2020: 1,024,923 units)	41,812	35,467
	September 30 ,	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
Transactions during the period		
AI Meezan Investment Management Limited - the Management Company		
Remuneration for the quarter	3,767	6,431
Sindh Sales Tax on management fee for the quarter	490	836
Allocated expenses	188	322
Selling and marketing expense	753	1,286
Meezan Bank Limited		
Profit on saving account	36	2,875
Shares purchased during the period: 75,001 shares (September 30, 2019: nil shares)	6,341	-
Bonus shares received: 33,600 shares (September 30, 2019: nil shares)	-	-
Shares sold during the period: 5,000 shares (September 30, 2019: 1,500 shares)	415	116

Central Depository Company of Pakistan Limited - the Trustee

Remuneration for the quarter	<u>480</u>	<u>573</u>
Sindh Sales Tax on trustee fee	<u>62</u>	<u>75</u>
CDS charges	<u>16</u>	<u>34</u>

Meezan Financial Planning Fund of Funds - MAAAP - I

Units redeemed: nil units (September 30, 2019: 4,752,893 units)	<u>-</u>	<u>156,640</u>
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Meezan Strategic Allocation Fund MSAP - I

Units issued: nil units (September 30, 2019: nil units)	<u>-</u>	<u>-</u>
Units redeemed: nil units (September 30, 2019: 2,497,940 units)	<u>-</u>	<u>81,700</u>

Meezan Strategic Allocation Fund MSAP - II

Units issued: 96,045 units (September 30, 2019: nil units)	<u>4,000</u>	<u>-</u>
Units redeemed: nil units (September 30, 2019: 234,946 units)	<u>-</u>	<u>8,300</u>

Meezan Strategic Allocation Fund MSAP - III

Units redeemed: nil units (September 30, 2019: 249,158 units)	<u>-</u>	<u>8,900</u>
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Meezan Strategic Allocation Fund MSAP - IV

Units redeemed: nil units (September 30, 2019: 316,994 units)	<u>-</u>	<u>11,230</u>
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Meezan Strategic Allocation Fund MSAP - V

Units redeemed: nil units (September 30, 2019: 103,863 units)	<u>-</u>	<u>3,650</u>
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Meezan Strategic Allocation Fund MCPP-III

Units issued: nil units (September 30, 2019: 3,504,335 units)	<u>-</u>	<u>111,000</u>
Units redeemed: nil units (September 30, 2019: 8,450,880 units)	<u>-</u>	<u>275,547</u>

Meezan Strategic Allocation Fund -II MCPP-IV

Units issued: 2,585,498 units (September 30, 2019: nil units)	<u>102,450</u>	<u>-</u>
Units redeemed: 1,217,367 units (September 30, 2019: 3,201,819 units)	<u>48,270</u>	<u>105,540</u>

Meezan Strategic Allocation Fund -II MCPP-V

Units issued: 134,706 units (September 30, 2019: nil units)	<u>5,350</u>	<u>-</u>
Units redeemed: 105,675 units (September 30, 2019: 731,268 units)	<u>4,289</u>	<u>23,610</u>

Meezan Strategic Allocation Fund-II MCPP-VI

Units redeemed: nil units (September 30, 2019: 657,019 units)	<u>-</u>	<u>22,060</u>
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Meezan Strategic Allocation Fund-II MCPP-VII

Units redeemed: nil units (September 30, 2019: 184,867 units)	<u>-</u>	<u>6,830</u>
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Meezan Strategic Allocation Fund-II MCPP-VIII

Units issued: nil units (September 30, 2019: 1,286,112 units)	<u>-</u>	<u>43,000</u>
Units redeemed: nil units (September 30, 2019: 1,804,678 units)	<u>-</u>	<u>59,579</u>

Meezan Strategic Allocation Fund-III MCPP-IX

Units issued: 687,652 units (September 30, 2019: 1,170,836 units)	<u>26,800</u>	<u>37,949</u>
Units redeemed: 676,455 units (September 30, 2019: 1,324,259 units)	<u>26,547</u>	<u>41,998</u>

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 3.83% which includes 0.63% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund (if any), sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Equity Scheme.

12. TAXATION

The 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 quarter as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2021 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. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on Funds as per Section 4B of the Income Tax Ordinance, 2001.

13. FINANCIAL INSTRUMENTS - FAIR VALUES

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

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

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

13.1. Fair value hierarchy

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

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

As at September 30, 2020 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

	As at September 30, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'	764,897	-	-	764,897
	----- (Rupees in '000) -----			
	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'	595,501	-	-	595,501

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Gold Fund

Meezan Gold Fund (MGF)

Meezan Gold Fund is Pakistan's first Shariah compliant Gold Fund. It invests in gold instruments in the most efficient manner, to provide maximum exposure to prices of Gold in a Shariah compliant (Islamic) manner. This is done by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on the Pakistan Mercantile Index (PMEX).

**ONLY SHARIAH
COMPLIANT
GOLD FUND MANAGER**



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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 Limited
Faysal Bank Limited	Meezan Bank Limited
Sindh Bank Limited	
UBL Ameen - Islamic Banking	

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	90,743	157,431
Investment in gold	6	422,298	390,225
Receivable against conversion of units		397	397
Advances and other receivables		9,327	9,680
Total assets		<u>522,765</u>	<u>557,733</u>
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	8	1,088	1,431
Payable to Central Depository Company of Pakistan Limited - Trustee		82	101
Payable to the Securities and Exchange Commission of Pakistan		28	99
Payable against conversion and redemption of units		202	311
Accrued expenses and other liabilities	9	10,014	7,845
Total liabilities		<u>11,414</u>	<u>9,787</u>
Net assets		<u>511,351</u>	<u>547,946</u>
Contingencies and commitments	7		
Unit holders' fund (as per statement attached)		<u>511,351</u>	<u>547,946</u>
		(Number of units)	
Number of units in issue		<u>5,775,000</u>	<u>6,508,989</u>
		(Rupees)	
Net asset value per unit		<u>88.5456</u>	<u>84.1829</u>

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

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

Chief Executive

Chief Financial Officer

Direct

**MEEZAN GOLD FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Note	September 30,	
		2020	2019
		(Rupees in '000)	
Income			
Realised gain on sale of investments		-	419
Profit on saving accounts with banks		1,927	1,961
Price adjustment charges	11	666	2,414
		2,593	4,794
Net unrealised appreciation on re-measurement of investment in gold	6	32,073	24,322
Total income		34,666	29,116
Expenses			
Remuneration of AI Meezan Investment Management Limited - Management Company	8.1	1,385	1,354
Sindh Sales Tax on remuneration of Management Company		180	176
Allocated expenses	8.2	138	135
Selling and marketing expenses	8.3	554	542
Remuneration of Central Depository Company of Pakistan Limited - Trustee		235	230
Sindh Sales Tax on remuneration of the Trustee		31	30
Annual fees to the Securities and Exchange Commission of Pakistan		28	28
Auditors' remuneration		99	72
Brokerage expense		-	17
Fees and subscription		112	87
Bank and settlement charges		1	221
Custodian fee		1,085	1,181
Provision for Sindh Workers' Welfare Fund (SWWF)	9	616	501
Total expenses		4,464	4,574
Net income for the quarter before taxation		30,202	24,542
Taxation	13	-	-
Net income for the quarter after taxation		30,202	24,542
Allocation of net income for the quarter			
Net income for the quarter after taxation		30,202	24,542
Income already paid on units redeemed		(5,008)	(4,959)
		25,194	19,583
Accounting income available for distribution			
- Relating to capital gains		25,194	19,583
- Excluding capital gains		-	-
		25,194	19,583

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

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

Chief Executive

Chief Financial Officer

Director



MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September, 30	
	2020	2019
	(Rupees in '000)	
Net income for the quarter after taxation	30,202	24,542
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>30,202</u>	<u>24,542</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	2020			2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	------(Rupees in '000)-----			------(Rupees in '000)-----		
Net assets at the beginning of the quarter	429,142	118,804	547,946	434,630	42,931	477,561
Issue of nil units (2019: 1,998,703 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	-	-	-	136,194	-	136,194
- Element of income	-	-	-	9,148	-	9,148
Total proceeds on issuance of units	-	-	-	145,342	-	145,342
Redemption of 733,989 units (2019: 1,411,076 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	61,789	-	61,789	96,151	-	96,151
- Element of loss	-	5,008	5,008	1,571	4,959	6,530
Total payments on redemption of units	61,789	5,008	66,797	97,722	4,959	102,681
Total comprehensive income for the quarter	-	30,202	30,202	-	24,542	24,542
Distribution during the quarter	-	-	-	-	-	-
Net income for the period less distribution	-	30,202	30,202	-	24,542	24,542
Net assets at end of the quarter	367,353	143,998	511,351	482,250	62,514	544,764
Undistributed income brought forward						
- Realised Income / (loss)		40,133			(23,741)	
- Unrealised income		78,671			66,672	
		<u>118,804</u>			<u>42,931</u>	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains		25,194			19,583	
- Excluding capital gains		-			-	
		<u>25,194</u>			<u>19,583</u>	
Distribution for the quarter		-			-	
Undistributed income carried forward		<u>143,998</u>			<u>62,514</u>	
Undistributed income carried forward						
- Realised income		111,925			38,192	
- Unrealised income		32,073			24,322	
		<u>143,998</u>			<u>62,514</u>	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter		<u>84.1829</u>			<u>68.1410</u>	
Net assets value per unit at end of the quarter		<u>88.5456</u>			<u>71.7168</u>	

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN GOLD FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	30,202	24,542
Adjustments for:		
Unrealised appreciation on re-measurement of investment in gold	(32,073)	(24,322)
	<u>(1,871)</u>	<u>220</u>
Decrease / (Increase) in assets		
Investments - net	-	(103,851)
Receivable against sale of investments - net	-	2,569
Advances and other receivables	353	10,684
	353	(90,598)
Increase/ (Decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	(343)	632
Payable to Central Depository Company of Pakistan Limited - Trustee	(19)	(43)
Payable to the Securities and Exchange Commission of Pakistan	(71)	(196)
Accrued expenses and other liabilities	2,169	549
	<u>1,736</u>	<u>942</u>
Net cash generated from / (used in) operating activities	<u>218</u>	<u>(89,436)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	-	162,374
Payment against conversion and redemption of units	(66,906)	(102,265)
Net cash (used in) / generated from financing activities	<u>(66,906)</u>	<u>60,109</u>
Net decrease in cash and cash equivalents during the quarter	<u>(66,688)</u>	<u>(29,327)</u>
Cash and cash equivalents at beginning of the quarter	157,431	86,014
Cash and cash equivalents at end of the quarter	<u>5</u> <u>90,743</u>	<u>56,687</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Gold Fund is an open ended mutual fund constituted under a Trust Deed entered into on October 15, 2014 between Al Meezan Investment Management Company as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The Fund is registered as a Notified entity under Non-Banking Finance Companies and Notified Entities Regulations, (NBFC Regulations) issued through S.R.O.1203(1)/2008 on November 21, 2008. The Fund commenced its operations from August 18, 2015. The registered office of the Management Company is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shariah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund is an open-ended Shariah Compliant (Islamic) Commodity Fund that aims to provide maximum exposure to prices of Gold in a Shariah Compliant (Islamic) manner by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on Pakistan Mercantile Exchange Limited (PMEX). Furthermore, all investments of the Fund's property shall be in accordance with the Shariah as advised by the Shariah Advisor. The Fund shall also be subject to the rules and regulations framed by the State Bank of Pakistan with regard to the foreign investments made by the Fund and investments made in the Fund from outside Pakistan in foreign currency. The investments in Gold contracts listed at the Commodity Exchange shall be subject to the PMEX Regulations and / or rules and regulations of the pertinent Commodity Exchange, if the Commodity Exchange is other than PMEX. All pertinent contracts, agreements and documents of PMEX shall be approved by Shariah advisor. Under the Trust Deed, all the conducts and acts of the fund are based on Shariah. The management company has appointed Meezan Bank Limited as its Shariah advisor to ensure that the activities of the fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's Offering document.
- 1.3** The Fund has been categorised as a Shariah compliant Commodity Scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs 50 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from August 13, 2015 and are transferable and redeemable by surrendering them to the Fund. Due to the on-going pandemic situation created by COVID-19 outbreak, the supply of physical gold through PMEX has been disrupted. Resultantly, the Fund has not been able to invest in physical gold. Therefore, In order to protect the interests of existing unit holders, the Management Company in accordance with clause 4.13.2 of the Offering Document and clause 13.5.1 of the Trust Deed of the Fund, suspended "fresh issuance" of units of the Fund effective from May 19, 2020 till further notice. However, redemptions and conversions from the Fund shall continue to be honoured.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2019:AM1 dated December 29, 2018) and PACRA dated June 26, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund. The fund is listed on Pakistan Stock Exchange Limited.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement Of Compliance

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

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

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

The disclosures made in these condensed interim financial statements 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. 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, 2020.

4.3 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, 2020. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
In saving accounts	5.1	90,649	157,337
In current accounts		94	94
		<u>90,743</u>	<u>157,431</u>

5.1 The balance in saving accounts have an expected profit ranging from 1.5% to 6.25% per annum (June 30, 2020: 1.5% to 7.5% per annum).

6. INVESTMENTS	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Investment in gold	6.1	<u>422,298</u>	<u>390,225</u>

6.1 Investment in gold

Commodity	As at July 1, 2020	Purchases during the quarter	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain	Percentage in relation to Net assets of the Fund
	----- (Tola) -----				----- (Rupees in '000) -----			--- (%) ---
TOLA GOLD	3,675	-	-	3,675	388,639	420,582	31,943	82.25%
MITOLA	15,000	-	-	15,000	1,586	1,717	131	0.34%
Total as at September 30, 2020					390,225	422,298	32,074	

- 6.1.1** The Pakistan Mercantile Exchange (PMEX) delivers refined Gold in 10 TOLA Bars. These are physically held by PMEX under their custody in the vaults of a commercial bank.
- 6.1.2** The investment in gold of Rs 422.298 million (June 30, 2020: Rs 390.225 million) has been measured at fair value based on the quoted market price in active markets.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

	Note	September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
-----Rupees in 000-----			
8. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED-MANAGEMENT COMPANY			
Management fee payable	8.1	434	528
Sindh Sales Tax on Management fee payable Management Company		57	69
Allocated expenses payable	8.2	43	53
Sales load payable		-	162
Sindh Sales Tax Payable on sales load		-	21
Selling and marketing expenses payable	8.3	554	598
		<u>1,088</u>	<u>1,431</u>

- 8.1** As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2020: 1%) per annum of the average net assets of the Fund during the quarter ended September 30, 2020. The remuneration is payable to the Management Company monthly in arrears.
- 8.2** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).
The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund.
- 8.3** The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 22, 2019 the Management Company, based on its own discretion has charged selling and marketing expense at 0.4% of the average annual net assets of the Fund which has also been approved by the Board.

9. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Auditor's remuneration		74	175
Custodian fee payable		1,763	883
Provision for Sindh Worker's Welfare Fund (SWWF)	9.1	5,658	5,041
Withholding tax payable		99	7
Capital gain tax payable		924	184
Shariah advisory fee payable		98	159
Payable against purchase of investments		685	685
Zakat payable		2	-
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	9.2	414	414
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	9.2	297	297
		<u>10,014</u>	<u>7,845</u>

9.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Sindh Workers' Welfare Fund not been made, the net asset value per unit as at September 30, 2020 would have been higher by Rs 0.98 per unit (June 30, 2020: Rs 0.77 per unit)

9.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision for Federal Excise Duty not being made, the Net Asset Value of the Fund as at September 30, 2020 would have been higher by Re 0.12 (June 30, 2020: Re 0.11) per unit.

10. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 2.89% which includes 0.27% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund (if any), sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 3% (excluding government levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as a Commodity Scheme.

11. PRICE ADJUSTMENT CHARGES

Securities and Exchange Commission of Pakistan (SECP) vide Circular no.40 SCD/AMCW/ MGF/63/2017 dated June 14, 2017, allowed the fund to charge price adjustment charges. Price adjustment charge is a difference between the offer price and the bid price from the closing price of the Gold transactions (contract) available at PMEX, which is added to and deducted from the NAV to determine Offer and Redemption prices respectively. Such charges form part of Fund Property.

Currently, price adjustment charges added / deducted to form NAV of the fund to determine offer / redemption price is 1% of NAV.

12. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

Transactions with connected persons 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 Regulations and the Trust Deed.

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

	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
AI Meezan Investment Management Limited - the Management Company		
Remuneration payable	434	528
Sindh Sales Tax on management fee payable	57	69
Sales load payable	-	162
Sindh Sales Tax on sales load payable	-	21
Selling and marketing expenses payable	554	598
Allocated expenses payable	43	53
Meezan Bank Limited		
Bank balance	729	31,954
Profit receivable on saving account	1	106
Investment of 1,084,712 units (June 30, 2020: 1,084,712 units)	96,047	91,314
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	73	89
Sindh Sales Tax on trustee fee payable	9	12
Directors and Executives of the Management Company		
Investment of 331,287 units (June 30, 2020: 331,325 units)	29,334	27,892
Unitholders holding 10% or more units of the Fund		
Investment of 1,272,869 units (June 30, 2020: 1,272,869 units)	112,707	107,154
	September 30,	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
AI Meezan Investment Management Limited - the Management Company		
Remuneration for the quarter	1,385	1,354
Sindh Sales Tax on management fee for the quarter	180	176
Allocated expenses	138	135
Selling and marketing expense	554	542
Meezan Bank Limited		
Profit on saving account	61	472
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration for the quarter	235	230
Sindh Sales Tax on trustee fee for the quarter	31	30
Directors and Executives of the Management Company		
Units issued: Nil (September 30, 2019: 71,488 units)	-	52,785
Units redeemed: 38 units (September 30, 2019: 60,182 units)	3	4,335

13. TAXATION

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

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. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on funds as Section 4B of Income Tax Ordinance, 2001.

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

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

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

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

Investments in gold are non-financial assets and the fair value is disclosed in note 6.1 to these financial statements.

As at September 30, 2020, the Fund does not hold any asset which required fair valuation.

15. GENERAL

Figures have been rounded off to the nearest thousand rupees.

16. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Islamic Income Fund

Meezan Islamic Income Fund (MIIF)

Meezan Islamic Income Fund is Pakistan's first Shariah compliant income fund scheme. The purpose of Meezan Islamic Income Fund is to provide investors with a high and stable rate of current income consistent with long term preservation of capital in a Shariah compliant way.



**HIGHEST MANAGEMENT
QUALITY RATING OF AM1**

– BY PACRA & VIS

AM1
Rating by VIS and PACRA

FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

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

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

		September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Assets			
Balances with banks	5	11,665,863	6,857,317
Investments	6	21,051,941	20,666,580
Receivable against sale of investments		155,134	-
Receivable against conversion of units		247,075	425,168
Deposits, prepayments and other receivables		411,104	299,311
Total assets		33,531,117	28,248,376
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	54,036	34,512
Payable to Central Depository Company of Pakistan Limited - Trustee		2,250	1,993
Payable to the Securities and Exchange Commission of Pakistan		1,557	4,264
Payable to Meezan Bank Limited		2,753	2,886
Payable against redemption and conversion of units		183,797	83,924
Accrued expenses and other liabilities	8	165,016	344,432
Total liabilities		409,409	472,011
Net assets		33,121,708	27,776,365
Contingencies and commitments	9		
Unit holders' fund (as per statement attached)		33,121,708	27,776,365
		(Number of units)	
Number of units in issue		631,502,091	539,707,519
		(Rupees)	
Net asset value per unit		52.4491	51.4656

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

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

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Note	September 30,	
		2020	2019
		(Rupees in '000)	
Income			
Profit on saving accounts with banks		162,169	268,969
Profit on term deposit receipts		3,260	-
Profit on certificates of musharakah		30,081	24,471
Profit on sukuk certificates		343,386	188,314
Profit on Bai Muajjal		102,417	-
Net realised gain on sale of sukuk certificates		6,400	5,362
Other income		88	1,075
		647,803	488,191
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1 & 6.1.2	48,273	(6,943)
Total income		696,075	481,248
Expenses			
Remuneration of Al Meezan Investment Management Limited - Management Company	7.1	38,930	31,281
Sindh Sales Tax on remuneration of the Management Company		5,061	4,067
Allocated expenses	7.2	11,679	5,135
Selling and marketing expense	7.3	31,144	14,541
Remuneration of Central Depository Company of Pakistan Limited - Trustee		5,839	2,727
Sindh Sales Tax on remuneration of the trustee		759	354
Annual fee to the Securities and Exchange Commission of Pakistan		1,557	727
Auditors' remuneration		229	168
Fees and subscription		353	352
Brokerage expense		554	66
Bank and settlement charges		1,538	129
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	11,969	8,434
Total expenses		109,611	67,981
Net income for the quarter before taxation		586,464	413,267
Taxation	12	-	-
Net income for the quarter after taxation		586,464	413,267
Allocation of net income for the quarter			
Net income for the quarter after taxation		586,464	413,267
Income already paid on units redeemed		(241,649)	(69,306)
		344,815	343,961
Accounting income available for distribution			
- Relating to capital gains		54,673	-
- Excluding capital gains		290,142	343,961
		344,815	343,961

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30,	
	2020	2019
	(Rupees in '000)	
Net income for the quarter after taxation	586,464	413,267
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u>586,464</u>	<u>413,267</u>

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

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

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020			September 30, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the quarter	27,541,424	234,941	27,776,365	9,297,919	173,403	9,471,322
Issuance of 334,369,469 units (2019: 262,808,903 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	17,208,525	-	17,208,525	13,518,024	-	13,518,024
- Element of income	308,432	-	308,432	160,102	-	160,102
Total proceeds on issuance of units	17,516,957	-	17,516,957	13,678,126	-	13,678,126
Redemption of 242,574,897 units (2019: 133,431,532 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	12,484,263	-	12,484,263	6,863,278	-	6,863,278
- Element of income	32,166	241,649	273,815	39,276	69,306	108,582
Total payments on redemption of units	12,516,428	241,649	12,758,077	6,902,554	69,306	6,971,860
Total comprehensive income for the quarter	-	586,464	586,464	-	413,267	413,267
Distribution during the quarter	-	-	-	-	-	-
Refund of capital	-	-	-	-	-	-
	-	586,464	586,464	-	413,267	413,267
Net assets at the end of the quarter	32,541,953	579,756	33,121,708	16,073,491	517,364	16,590,855
Undistributed income brought forward						
- Realised income		217,183			192,274	
- Unrealised income / (loss)		17,758			(18,871)	
		234,941			173,403	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains	54,673			-		
- Excluding capital gains	290,142			343,961		
	344,815			343,961		
Undistributed income carried forward		579,756			517,364	
Undistributed income carried forward						
- Realised income		531,483			524,307	
- Unrealised income / (loss)		48,273			(6,943)	
		579,756			517,364	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the quarter			51.4656			51.4367
Net assets value per unit at the end of the quarter			52.4491			52.9192

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

Note	September 30,	
	2020	2019
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	586,464	413,267
Adjustments for		
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(48,273)	6,943
	538,191	420,210
Decrease / (increase) in assets		
Investments - net	2,162,912	(764,435)
Receivable against sale of investments	(155,134)	-
Deposits, prepayments and other receivables	(111,793)	22,698
	1,895,985	(741,737)
(Decrease) / increase in liabilities		
Payable to Al Meezan Investment Management Limited - the Management Company	19,524	10,613
Payable to Central Depository Company of Pakistan Limited - the Trustee	257	249
Payable to the Securities and Exchange Commission of Pakistan	(2,707)	(7,095)
Payable to Meezan Bank Limited	(133)	1,745
Accrued expenses and other liabilities	(179,416)	(37,185)
	(162,475)	(31,673)
Net cash generated from / (used in) operating activities	2,271,701	(353,200)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	17,695,050	13,569,643
Payments against redemption and conversion of units	(12,658,205)	(6,985,642)
Net cash generated from financing activities	5,036,845	6,584,001
Net increase in cash and cash equivalents during the quarter	7,308,546	6,230,801
Cash and cash equivalents at the beginning of the quarter	6,857,317	2,971,017
Cash and cash equivalents at the end of the quarter	5.2 14,165,863	9,201,818

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Islamic Income Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on September 13, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) notified 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 provide the unitholders safe and stable stream of halal income on their investments and to generate superior long-term risk adjusted returns. The Fund shall also keep an exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point of time. Under the Trust Deed all conducts and acts of the Fund are based on Shariah principles. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.
- 1.3** The Fund is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorised as an Open End Shariah Compliant (Islamic) Income Scheme in accordance with Circular 7 of 2009 issued by the SECP.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2019: AM1 dated December 29, 2018) and by PACRA dated June 26, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of A(f) by VIS Credit Rating Company Limited.
- 1.5** Title to the assets of the Fund are in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020.

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, 2020. 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, 2020.

4.3 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, 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	September 30,	June 30,
		2020 (Unaudited) (Rupees in '000)	2020 (Audited)
In saving accounts	5.1	11,665,819	6,857,273
In current accounts		44	44
		<u>11,665,863</u>	<u>6,857,317</u>

5.1 The balance in saving accounts have an expected profit ranging from 1.50% to 6.58% per annum (June 30, 2020: 1.50% to 7.50% per annum).

5.2 Cash and cash equivalents	Note	September 30,	June 30,
		2020 (Unaudited) (Rupees in '000)	2020 (Audited)
Balances with banks	5	11,665,863	6,857,317
Term deposit receipts - having original maturity of 3 months or less	6.4	2,500,000	-
		<u>14,165,863</u>	<u>6,857,317</u>

6. INVESTMENTS	Note	September 30,	June 30,
		2020 (Unaudited) (Rupees in '000)	2020 (Audited)
Investments - 'at fair value through profit or loss'			
Sukuk certificates	6.1	13,399,829	13,586,435
Certificates of Musharakah	6.2	1,652,830	1,600,000
Commercial papers	6.3	1,657,869	1,522,415
Term deposit receipts - having original maturity of 3 months or less	6.4	2,500,000	-
Bai Muajjal receivable	6.5	1,841,413	3,957,730
		<u>21,051,941</u>	<u>20,666,580</u>

6.1 Sukuk Certificates

Government securities	6.1.1	9,403,368	9,081,390
Corporate sukuku	6.1.2	3,996,461	4,505,045
		<u>13,399,829</u>	<u>13,586,435</u>

6.1.1 Government Securities

Name of the security	Maturity date	Profit rate	As at July 1, 2020	Purchases during the quarter	Sales / maturity during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to	
										Net assets of the Fund	Total market value of investment
----- Number of certificates -----						----- (Rupees in '000) -----			----- % -----		
GoP Ijarah Sukuk Certificates - XX (note 6.1.1.1)	April 30, 2025	Weighted average 6 months T-Bills	1,870	-	-	1,870	181,390	180,137	(1,253)	0.54	0.86
GoP Ijarah Sukuk Certificates - XXII (note 6.1.1.1)	June 24, 2025	Weighted average 6 months T-Bills	-	4,500	500	4,000	404,480	401,600	(2,880)	1.21	1.91
GoP Ijarah Sukuk Certificates - XXIII - VRR (note 6.1.1.1)	July 29, 2025	Weighted average 6 months T-Bills	-	1,000	500	500	50,000	49,810	(190)	0.15	0.24
GoP Ijarah Sukuk Certificates - XXIII - FRR (note 6.1.1.1)	July 29, 2025	Weighted average 6 months T-Bills	-	1,000	1,000	-	-	-	-	-	-
Pakistan Energy Sukuk II (note 6.1.1.1)	May 20, 2030	6 months KIBOR plus base rate of (0.10%)	1,780,000	1,539,000	1,570,000	1,749,000	8,745,583	8,771,821	26,238	26.48	41.67
Total as at September 30, 2020							9,381,453	9,403,368	21,916		
Total as at June 30, 2020							9,087,000	9,081,390	(5,610)		

6.1.1.1 The nominal value of these sukuk certificates is Rs 100,000 each except for Pakistan Energy Sukuk Certificates having nominal value of Rs. 5,000 each.

6.1.2 Corporate Sukuku

Name of the security	Maturity date	Profit rate	As at July 1, 2020	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2020	* Carrying value as at September 30, 2020	* Market value as at September 30, 2020	Unrealised appreciation / (diminution)	Percentage in relation to		
										Net assets of the Fund	Total issue (with face value of investment)	Total market value of investment
----- (Number of certificates) -----						----- (Rupees in '000) -----			----- % -----			
Arzoo Textile Mills Limited (note 6.1.2.1 & 6.1.2.2) *	April 15, 2014	6 months KIBOR plus base rate of 2%	14,000	-	-	14,000	-	-	-	-	9.46	-
Eden Housing Limited (note 6.1.2.1 & 6.1.2.2) *	September 29, 2014	6 months KIBOR plus base rate of 2.5%	59,400	-	-	59,400	-	-	-	-	12.32	-
Security Leasing Corporation Limited II (note 6.1.2.1 & 6.1.2.2) *	January 19, 2022	Nil	3,081	-	-	3,081	-	Nil	-	-	6.67	-
BANKS												
Dubai Islamic Bank Pakistan Limited (AA-, VIS, non-traded) (note 6.1.2.1)	July 14, 2027	6 months KIBOR plus base rate of 0.5%	538	-	-	538	552,115	551,562	(553)	1.67	13.45	2.62

Name of the security	Maturity date	Profit rate	As at July 1, 2020	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2020	* Carrying value as at September 30, 2020	* Market value as at September 30, 2020	Unrealised appreciation / (diminution)	Percentage in relation to		
										Net assets of the Fund	Total issue (with face value of investment)	Total market value of investment
										----- % -----		
			---- (Number of certificates) ----			----- (Rupees in '000) -----						
Meezan Bank Limited Tier - II (AA, VIS, non-traded) (note 6.1.2.1)	September 22, 2026	6 months KIBOR plus base rate of 0.50%	298	-	-	298	305,450	306,180	730	0.92	4.26	1.45
FERTILIZER												
Fatima Fertilizer Company Limited (AA-, PACRA, non-traded) (note 6.1.2.1)	November 28, 2021	6 months KIBOR plus base rate of 1.10%	60,200	-	-	60,200	302,754	303,184	430	0.92	9.56	1.44
OIL & GAS MARKETING COMPANIES												
Hascol Petroleum Limited (BBB-, VIS, non-traded) (note 6.1.2.1 & 6.1.2.2)	January 06, 2022	3 months KIBOR plus base rate of 1.50%	28,000	-	4,000	24,000	118,517	115,131	(3,386)	0.35	6.00	0.55
POWER GENERATION & DISTRIBUTION												
K-Electric Limited (sukuk 5) (AA+, VIS, traded) (note 6.1.2.1)	August 03, 2026	3 months KIBOR plus base rate of 1.70%	80,000	-	5,200	74,800	374,000	383,525	9,525	1.16	1.50	1.82
Hub Power Company Limited (AA+, PACRA), traded (note 6.1.2.1)	August 22, 2023	3 months KIBOR plus base rate of 1.90%	5,560	-	3,000	2,560	261,491	262,208	717	0.79	3.66	1.25
Hub Power Company Limited (AA+, PACRA, non-traded) (note 6.1.2.1)	March 19, 2024	1 year KIBOR plus base rate of 1.900%	6,850	-	250	6,600	660,000	679,800	19,800	2.05	13.20	3.23
Engro Powergen Thar (Private) Limited (A, PACRA, non-traded) (note 6.1.2.1)	August 2, 2024	3 months KIBOR plus base rate of 1.10%	50,000	-	-	50,000	250,750	249,481	(1,269)	0.75	8.33	1.19
PHARMACEUTICALS												
AGP Limited (A+, PACRA, non-traded) (note 6.1.2.1)	June 9, 2022	3 months KIBOR plus base rate of 1.30%	1,311	-	387	924	92,570	93,203	633	0.28	10.79	0.44
CEMENT & CONSTRUCTION												
Javedan Corporation Limited (AA-, VIS non-traded) (note 6.1.2.1)	October 4, 2026	6 months KIBOR plus base rate of 1.75%	1,000	-	-	1,000	99,998	99,762	(236)	0.30	3.34	0.47
STEEL & ALLIED PRODUCTS												
Agha Steel Industries Limited (A, VIS, non-traded) (note 6.1.2.1)	October 9, 2024	3 months KIBOR plus base rate of 0.80%	250	-	-	250	250,000	248,422	(1,578)	0.75	5.00	1.18
CHEMICALS												
Engro Polymer and Chemicals Limited (AA, PACRA, traded) (note 6.1.2.1)	July 11, 2026	3 months KIBOR plus base rate of 0.90%	3,000	-	1,172	1,828	185,630	186,047	417	0.56	2.09	0.88

Name of the security	Maturity date	Profit rate	As at July 1, 2020	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2020	* Carrying value as at September 30, 2020	* Market value as at September 30, 2020	Unrealised appreciation / (diminution)	Percentage in relation to		
										Net assets of the Fund	Total issue (with face value of investment)	Total market value of investment
			---- (Number of certificates) ----			----- (Rupees in '000) -----			----- % -----			

TEXTILE COMPOSITE

Masood Textile Mills Limited (A, VIS, non-traded) (note 6.1.2.1)	December 17, 2024	3 months KIBOR plus base rate of 2.00%	150	-	-	150	148,776	147,245	(1,531)	0.44	6.00	0.70
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MISCELLANEOUS

International Brands Limited (AA, VIS, traded) (note 6.1.2.1)	November 15, 2021	3 months KIBOR plus base rate of 0.50%	2,859	-	-	2,859	283,053	286,198	3,145	0.86	14.13	1.36
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Shakarganj Food Products Limited (A, VIS, non-traded) (note 6.1.2.1)	July 10, 2024	3 months KIBOR plus base rate of 1.75%	85	-	-	85	85,000	84,513	(487)	0.26	13.79	0.40
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Total as at September 30, 2020

3,970,104 3,996,461 26,357

Total as at June 30, 2020

4,481,677 4,505,045 23,368

* In case of debt securities against which provision has been made, these are carried at carrying value less provision.

6.1.2.1 The nominal value of these sukuk certificates is Rs 5,000 each except for the sukuk certificates of Eden Housing Limited having nominal value of Rs 984.375, International Brands Limited, AGP Limited, Javedan Corporation Limited, Engro Polymer and Chemicals Limited and Hub Power Company Limited having nominal value of Rs. 100,000 each and Dubai Islamic Bank Pakistan Limited, Meezan Bank Limited, Shakarganj Food Products Limited, Agha Steel Industries Limited and Masood Textile Mills Limited having nominal value of Rs 1,000,000 each respectively.

6.1.2.2 The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. Al Meezan Investment Management Limited (the Management Company) classified Meezan Islamic Income Fund (the Fund) as an 'Income Scheme' in accordance with the said circular. As at September 30, 2020, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires the rating of any security in the portfolio shall not be lower than the investment grade. Therefore, as required under Circular 16 of 2010 dated July 07, 2010, following is the detail of investments in sukuk of the Funds which are below 'investment grade':

Name of non-compliant investment	Type of investments	Value of investment before provision	Provision held (if any)	Value of investment after provision	Percentage of net assets	Percentage of total assets
		----- (Rupees in '000) -----			----- % -----	
Arzoo Textile Mills Limited	Non-traded sukuk certificates	70,000	70,000	-	-	-
Eden Housing Limited	Non-traded sukuk certificates	58,472	58,472	-	-	-
Security Leasing Corporation Limited II	Non-traded sukuk certificates	15,403	15,403	-	-	-
Hascol Petroleum Limited	Non-traded sukuk certificates	115,131	-	115,131	0.35	0.34
Total - September 30, 2020		259,006	143,875	115,131	0.35	0.34
Total - June 30, 2020		282,145	143,875	138,270	0.5	0.5

6.1.2.2.1 On May 6, 2011, Arzoo Textile Mills Limited and Eden Housing Limited sukuk certificates were classified as non-performing by Mutual Funds Association of Pakistan (MUFAP). Therefore in accordance with the requirement of SECP's Circular No.33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the said Circular, an amount of Rs. 70 million and Rs. 58.472 million respectively have also been held as provision against the outstanding principal as at September 30, 2020.

6.1.2.2.2 The agreement with Security Leasing Corporation Limited (SLCL) had been amended on February 19, 2012. In accordance with the revised terms no mark-up is payable on the said sukuk as per the approval of contributors to the sukuk certificate. The sukuk certificates have been classified as non-performing by MUFAP on April 3, 2012. Therefore, in accordance with the requirement of circular no.33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the provisioning policy of the Fund, an amount of Rs 15.403 million has also been held as provision against the outstanding principal as at September 30, 2020.

6.1.2.3 Circular No. 33 of 2012 allows the asset manager to apply a mark up/mark down within available limit for valuation of any specific debt security. Exercising the discretionary power, the above mentioned Sukuks of Agha Steel Industries Limited, Engro Powergen Thar (Private) Limited, Hascol Petroleum Limited and Masood Textile Mills Limited has been valued at a discretionary rate of 99.3688, 99.7924, 95.9427 and 98.1636 when the reported market rate on MUFAP valuation sheet as at September 30, 2020 was 95.6409, 98.1943, 98.3645 and 97.5039 respectively.

6.2 Certificates of Musharakah

Name of the investee company	Maturity date	Profit rate	As at July 1, 2020	Placed during the quarter	Matured during the quarter	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to	
									Net assets of the Fund	Total market value of investment
			----- (Rupees in '000) -----					----- % -----		
Orix Modaraba	April 29, 2021	7.20	200,000	-	-	200,000	200,000	-	0.60	0.95
Orix Modaraba	April 29, 2021	7.20	200,000	-	-	200,000	200,000	-	0.60	0.95
Orix Modaraba	April 29, 2021	7.21	200,000	-	-	200,000	200,000	-	0.60	0.95
First Habib Modaraba	January 14, 2021	7.05	300,000	316,180	300,000	316,180	316,180	-	0.95	1.50
First Habib Modaraba	January 18, 2021	7.05	200,000	210,682	200,000	210,682	210,682	-	0.64	1.00
First Habib Modaraba	January 22, 2021	7.05	250,000	263,092	250,000	263,092	263,092	-	0.79	1.25
First Habib Modaraba	January 28, 2021	7.05	250,000	262,875	250,000	262,875	262,875	-	0.79	1.25
Total as at September 30, 2020			1,600,000	1,052,830	1,000,000	1,652,830	1,652,830	-	4.99	7.85
Total as at June 30, 2020			750,000	2,200,000	1,350,000	1,600,000	1,600,000	-	5.76	7.74

6.3 Commercial Papers

Name of the security	Maturity date	Profit rate	As at July 1, 2020	Purchases during the quarter	Sales / redemptions / maturity during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Percentage in relation to	
									Net assets of the Fund	Total market value of investment
			----- (Number of certificates) -----				----- (Rupees in '000) -----		----- % -----	
K-Electric Limited CP-6 (note 6.3.1)	August 26, 2020	6 months KIBOR plus base rate of 1.15%	600	-	600	-	-	-	-	-
K-Electric Limited CP-7 (note 6.3.1)	September 10, 2020	6 months KIBOR plus base rate of 1.15%	750	-	750	-	-	-	-	-
K-Electric Limited CP-8 (note 6.3.1)	October 6, 2020	6 months KIBOR plus base rate of 1.15%	210	-	-	210	209,670	209,670	0.63	1.00
K-Electric Limited CP-9 (note 6.3.1)	February 12, 2021	6 months KIBOR plus base rate of 1.00%	-	600	-	600	582,634	582,634	1.76	2.77
K-Electric Limited CP-10 (note 6.3.1)	February 26, 2021	6 months KIBOR plus base rate of 0.95%	-	450	-	450	435,750	435,750	1.32	2.07
K-Electric Limited CP-11 (note 6.3.1)	March 9, 2021	6 months KIBOR plus base rate of 0.85%	-	445	-	445	429,815	429,815	1.30	2.04
Total as at September 30, 2020							1,657,869	1,657,869	5.01	7.88
Total as at June 30, 2020							1,522,415	1,522,415	5.47	7.37

6.3.1 The nominal value of these commercial papers is Rs 1,000,000 each.

6.4 Term deposit receipts

Name of the bank	Maturity date	Profit rate	As at July 1, 2020	Term deposit receipts placed during the quarter	Matured during the quarter paid	As at September 30, 2020	Percentage of total market value of investments
		%	(Rupees in '000)				%
Having original maturity of 3 months or less							
Bank Islami Pakistan Limited	October 26, 2020	6.80	-	2,500,000	-	2,500,000	11.88
Total - September 30, 2020			-	2,500,000	-	2,500,000	11.88
Total - June 30, 2020			-	-	-	-	-

6.5 Bai Muajjal receivable

Name of the counterparty	Maturity date	Profit rate	Total Transaction Price	Deferred Income	Accrued Profit	Carrying value
			(Rupees in '000)			
Pak Kuwait Investment Company (AAA, PACRA) (note 6.5.1)	January 28, 2021	12.55%	1,103,660	123,064	82,941	1,063,537
Pak Oman Investment Company Limited (AA+, VIS) (note 6.5.2)	January 5, 2021	13.00%	802,147	92,282	68,011	777,876
Total as at September 30, 2020			1,905,807	215,346	150,952	1,841,413
Total as at June 30, 2020			4,124,745	360,992	193,977	3,957,730

6.5.1 This Bai Muajjal Transaction is carried out against K-Electric Limited Commercial Paper A which was issued on August 27, 2019.

6.5.2 This Bai Muajjal Transaction is carried out against K-Electric Limited Commercial Paper A which was issued on August 27, 2019.

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED	Note	September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
(Rupees in '000)			
Management fee payable	7.1	13,306	1,038
Sindh Sales Tax on Management fee payable		1,730	135
Allocated expenses payable	7.2	3,992	3,548
Selling and marketing expenses payable	7.3	31,148	28,001
Sales load payable		3,416	1,583
Sindh Sales Tax on sales load payable		444	206
Certificate charges		1	1
		54,036	34,512

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Effective from July 01, 2020, the Management Company has charged the remuneration upto 6.5% of gross earnings of the Fund subject to the minimum of 0.25% of average annual net assets and maximum of 1.5% of average annual net assets of the Fund. The remuneration is payable to the Management Company monthly in arrears.

Currently, the management fee is being charged at the rate of 0.50% of the average annual net assets of the fund.

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

The management company based on its own discretion has currently fixed a maximum capping of 0.15% of the average annual net assets of the scheme for allocation of such expenses to the Fund.

7.3 The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 22, 2019 the Management Company, based on its own discretion has charged selling and marketing expense at 0.4% of the average annual net assets of the Fund which has also been approved by the Board.

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	97,097	85,128
Withholding tax payable		-	163,288
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	8.2	50,417	50,417
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	2,642	2,642
Capital gain tax payable		11,398	39,898
Auditors' remuneration payable		168	431
Printing expenses payable		566	566
Brokerage payable		1,559	1,005
Zakat payable		192	172
Shariah advisor fee payable		269	538
Other payable		708	347
		165,016	344,432

8.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Sindh Workers' Welfare Fund not been made, the net asset value per unit as at September 30, 2020 would have been higher by Re.0.15 per unit (June 30, 2020: Re 0.16 per unit).

8.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Federal Excise Duty not being made, the net asset value per unit as at September 30, 2020 would have been higher by Re. 0.08 (June 30, 2020: Re. 0.10) per unit.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10. 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 the 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 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 provision of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

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

	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	13,306	1,038
Sindh Sales Tax payable on remuneration of the Management Company	1,730	135
Sales load payable	3,416	1,583
Sindh Sales Tax on sales load	444	206
Allocated expenses payable	3,992	3,548
Selling and marketing expense payable	31,148	28,001
Certificate charges payable	1	1
Investment of 1,157,861 units (June 30, 2020: nil)	60,729	-
Meezan Bank Limited		
Balances with bank	19,136	267,669
Sales load payable	2,436	2,554
Sindh Sales Tax on sales load	317	332
Profit receivable on saving account	844	300
Profit receivable on sukuk certificates	1,946	11,986
Investment of 298 sukuk certificates (June 30, 2020: 298 sukuk certificates)	306,180	305,450

	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	1,991	1,764
Sindh Sales Tax on Trustee Fee payable	259	229
Security deposit	100	100
Meezan Strategic Allocation Fund - MSAP - I		
Investments of 4,342,915 units (June 30, 2020: 4,198,624 units)	227,782	216,085
Meezan Strategic Allocation Fund - MSAP - II		
Investments of 2,286,588 units (June 30, 2020: 2,417,775 units)	119,929	124,432
Meezan Strategic Allocation Fund - MSAP - III		
Investments of 2,781,985 units (June 30, 2020: 3,979,255 units)	145,913	204,795
Meezan Strategic Allocation Fund - MSAP - IV		
Investments of 1,696,890 units (June 30, 2020: 4,020,730 units)	89,000	206,929
Meezan Strategic Allocation Fund - MSAP - V		
Investments of 500,042 units (June 30, 2020: 1,037,053 units)	26,227	53,373
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Investment of 1,436,014 units (June 30, 2020: 1,226,417 units)	75,318	63,118
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Investment of 1,365,736 units (June 30, 2020: 1,059,604 units)	71,632	54,533
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Investment of 2,149,570 units (June 30, 2020: 1,988,870 units)	112,743	102,358
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of nil units (June 30, 2020: 1,740,132 units)	-	89,557
Directors and Executives of the Management Company		
Investments of 906,980 units (June 30, 2020: 704,165 units)	47,570	36,240
	For the quarter ended September 30,	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration for the quarter	38,930	31,281
Sindh Sales Tax on remuneration of the Management Company	5,061	4,067
Allocated expenses	11,679	5,135
Selling and marketing expense	31,144	14,541
Units issued: 1,157,861 units (September 30, 2019: 61,626 units)	60,000	3,224
Units redeemed: nil (September 30, 2019: 1,287,879 units)	-	66,259
Meezan Bank Limited		
Profit on saving account	794	2,514
Profit on sukuk certificate	8,914	11,537
Pakistan Energy Sukuk II certificates sold during the quarter: 1,540,000 sukuk certificates (September 30, 2019: nil)	7,702,310	-
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration for the quarter	5,839	2,727
Sindh Sales Tax on trustee fee	759	354
CDS Charges	1,420	83

For the quarter ended

September 30,

2020 2019

(Unaudited)

(Rupees in '000)

Meezan Strategic Allocation Fund - MSAP - I

Units issued: 924,876 units (September 30, 2019: 1,653,461 units)

Units redeemed: 780,585 units (September 30, 2019: 6,637,424 units)

48,000	85,606
40,710	346,444

Meezan Strategic Allocation Fund - MSAP - II

Units issued: 500,876 units (September 30, 2019: 1,128,244 units)

Units redeemed: 632,063 units (September 30, 2019: 4,536,335 units)

26,000	58,413
32,877	236,405

Meezan Strategic Allocation Fund - MSAP - III

Units issued: 838,091 units (September 30, 2019: 1,361,671 units)

Units redeemed: 2,035,361 units (September 30, 2019: 5,418,582 units)

43,500	70,498
105,940	282,706

Meezan Strategic Allocation Fund - MSAP - IV

Units issued: 866,998 units (September 30, 2019: 1,536,740 units)

Units redeemed: 3,190,838 units (September 30, 2019: 6,120,187 units)

45,000	79,563
166,046	319,197

Meezan Strategic Allocation Fund - MSAP - V

Units issued: 173,568 units (September 30, 2019: 272,284 units)

Units redeemed: 710,579 units (September 30, 2019: 1,059,349 units)

9,000	14,090
36,990	55,177

Meezan Financial Planning Fund of Funds
- Aggressive Allocation Plan

Units issued: 305,721 units (September 30, 2019: 874,262 units)

Units redeemed: 96,124 units (September 30, 2019: 21,616 units)

15,811	45,464
5,000	1,125

Meezan Financial Planning Fund of Funds
- Moderate Allocation Plan

Units issued: 327,384 units (September 30, 2019: 738,690 units)

Units redeemed: 21,252 units (September 30, 2019: 318,206 units)

17,002	38,414
1,100	16,500

Meezan Financial Planning Fund of Funds
- Conservative Allocation Plan

Units issued: 160,700 units (September 30, 2019: 1,387,612 units)

Units redeemed: nil (September 30, 2019: 324,610 units)

8,305	72,159
-	16,875

Meezan Financial Planning Fund of Funds - MAAP - I

Units issued: 394,976 units (September 30, 2019: 3,782,012 units)

Units redeemed: 2,135,108 units (September 30, 2019: 3,782,012 units)

194,649	194,649
197,912	197,912

Directors and Executives of the Management Company

Units issued: 388,654 units (September 30, 2019: 14,661,173 units)

Units redeemed: 185,839 units (September 30, 2019: 8,995,338 units)

20,228	761,981
9,644	470,309

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 1.41% which includes 0.25% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, Sales Taxes, Federal excise Duties, Annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Income Scheme.

12. TAXATION

The 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 quarter as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2021 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

13. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

- Level 1: 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 September 30, 2020 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

ASSETS	As at September 30, 2020			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Sukuk Certificates	-	13,399,829	-	13,399,829
Certificates of Musharakah*	-	1,652,830	-	1,652,830
Commercial Papers**	-	1,657,869	-	1,657,869
Term deposit receipts - having original maturity of 3 months or less *	-	2,500,000	-	2,500,000
Bai Muajjal receivable	-	1,841,413	-	1,841,413
	-	21,051,941	-	21,051,941

ASSETS	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Sukuk certificates	-	13,586,435	-	13,586,435
Certificates of musharakah*	-	1,600,000	-	1,600,000
Commercial papers**	-	1,522,415	-	1,522,415
Bai Muajjal receivable**	-	3,957,730	-	3,957,730
	-	20,666,580	-	20,666,580

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

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



14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Sovereign Fund

Meezan Sovereign Fund (MSF)

Meezan Sovereign Fund is Pakistan's first Shariah compliant Government Securities Fund. The purpose of the fund is to provide maximum possible preservation of capital and a reasonable rate of return by investing primarily in Shariah compliant Government Securities.

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APPLICATION**



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

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

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT SEPTEMBER 30, 2020**

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	1,329,380	2,580,042
Investments	6	7,308,571	7,182,290
Receivable against sale of investments		103,422	-
Receivable against conversion of units		126,142	149,747
Deposits, prepayments and other receivables		193,684	105,238
Total assets		9,061,199	10,017,317
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	7	14,237	8,724
Payable to Central Depository Company of Pakistan Limited - Trustee		523	536
Payable to Securities and Exchange Commission of Pakistan		443	967
Payable to Meezan Bank Limited		281	412
Payable on redemption and conversion of units		115,970	106,266
Accrued expenses and other liabilities	8	122,908	164,081
Total liabilities		254,362	280,986
Net assets		8,806,837	9,736,331
Unitholders' fund (as per statement attached)		8,806,837	9,736,331
Contingencies and commitments	9		
Number of units in issue		166,194,629	188,880,283
		(Rupees)	
Net assets value per unit		52.9911	51.5476

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN SOVEREIGN FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Note	September 30,	
		2020	2019
		(Rupees in '000)	
Income			
Profit on sukuk certificates		161,504	36,442
Net realised gain on sale of sukuk certificates		2,735	95
Profit on saving accounts with banks		19,006	80,135
		<u>183,245</u>	<u>116,672</u>
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1	93,747	-
Total income		<u>276,992</u>	<u>116,672</u>
Expenses			
Remuneration to AI Meezan Investment Management Limited - Management Company	7.1	11,072	6,288
Sindh Sales Tax on remuneration of the Management Company		1,439	817
Remuneration to Central Depository Company of Pakistan Limited - Trustee		1,439	597
Sindh Sales Tax on remuneration of the Trustee		187	78
Annual fee to Securities and Exchange Commission of Pakistan		443	191
Auditors' remuneration		178	124
Fees and subscription		274	275
Brokerage expense		384	-
Bank and settlement charges		576	191
Allocated expenses	7.2	3,321	1,269
Selling and marketing expense	7.3	8,857	2,843
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	4,976	2,080
		<u>33,146</u>	<u>14,753</u>
Total expenses		<u>33,146</u>	<u>14,753</u>
Net income for the quarter before taxation		<u>243,846</u>	<u>101,919</u>
Taxation	12	-	-
Net income for the quarter after taxation		<u>243,846</u>	<u>101,919</u>
Allocation of net income for the quarter			
Net income for the quarter after taxation		243,846	101,919
Income already paid on units redeemed		53,417	12,260
		<u>190,429</u>	<u>89,659</u>
Accounting income available for distribution			
- Relating to capital gains		96,482	95
- Excluding capital gains		93,947	89,564
		<u>190,429</u>	<u>89,564</u>

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

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30,	
	2020	2019
	(Rupees in '000)	
Net income for the quarter after taxation	243,846	101,919
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u>243,846</u>	<u>101,919</u>

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020			September 30, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at beginning of the quarter	9,438,622	297,709	9,736,331	5,409,260	295,889	5,705,149
Issue of 99,223,950 units (2019: 67,529,786 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	5,114,756	-	5,114,756	3,479,762	-	3,479,762
- Element of income	90,960	-	90,960	49,856	-	49,856
Total proceeds on issuance of units	5,205,716	-	5,205,716	3,529,618	-	3,529,618
Redemption of 121,909,604 units (2019: 87,790,216 units)						
- Capital value (at ex- net asset value per unit at the beginning of the quarter)	6,284,148	-	6,284,148	4,523,769	-	4,523,769
- Element of income	41,491	53,417	94,908	7,873	12,260	20,133
Total payments on redemption of units	6,325,639	53,417	6,379,056	4,531,642	12,260	4,543,902
Total comprehensive income for the quarter	-	243,846	243,846	-	101,919	101,919
Distribution during the quarter	-	-	-	-	-	-
Refund of capital	-	-	-	-	-	-
Net assets at end of the quarter	8,318,699	488,138	8,806,837	4,407,236	283,629	4,690,865
Undistributed income brought forward						
- Realised income		297,512			297,344	
- Unrealised loss		197			(1,455)	
		297,709			295,889	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains		96,482			95	
- Excluding capital gains		93,947			89,564	
		190,429			89,564	
Undistributed income carried forward		488,138			385,453	
Undistributed income carried forward						
- Realised income		394,391			385,453	
- Unrealised income		93,747			-	
		488,138			385,453	
Net assets value per unit at beginning of the quarter			(Rupees) 51.5476			(Rupees) 51.5293
Net assets value per unit at end of the quarter			52.9911			52.9845

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

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

Chief Executive

Chief Financial Officer

Director



MEEZAN SOVEREIGN FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	243,846	101,919
Adjustments for		
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(93,747)	-
	150,099	101,919
(Increase) / Decrease in assets		
Investments - net	(32,534)	-
Receivable against sale of investments	(103,422)	-
Deposits, prepayments and other receivable	(88,446)	4,825
	(224,402)	4,825
(Decrease) / Increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	5,513	2,312
Payable to Central Depository Company of Pakistan Limited - Trustee	(13)	(36)
Payable to Securities and Exchange Commission of Pakistan	(524)	(1,209)
Payable to Meezan Bank Limited	(131)	103
Accrued expenses and other liabilities	(41,173)	2,878
	(36,328)	4,048
Net cash (used in) / generated from operating activities	(110,631)	110,792
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	5,229,321	3,533,334
Payments against redemption and conversion of units	(6,369,352)	(5,055,461)
Net cash used in financing activities	(1,140,031)	(1,522,127)
Net decrease in cash and cash equivalents during the quarter	(1,250,662)	(1,411,335)
Cash and cash equivalents at the beginning of the quarter	2,580,042	5,132,514
Cash and cash equivalents at the end of the quarter	1,329,380	3,721,179

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN SOVEREIGN FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Sovereign Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and 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 provide the unitholders maximum possible preservation of capital along with Halal and reasonable returns by investing primarily in a portfolio of Shariah compliant government securities thus, minimising the credit risk of investments. The Fund shall also keep an exposure in short-term near cash instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point of time. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.
- 1.3 The Fund is an open end Shariah Compliant (Islamic) Income Scheme, listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4 The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2019: AM1 dated December 28, 2018) and by PACRA dated June 26, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA-(f) by VIS Credit Rating Company Limited.
- 1.5 The title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the approved accounting 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 VIII A 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and 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 published audited annual financial statements of the Fund for the year ended June 30, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES / ACCOUNTING ESTIMATES, JUDGEMENTS 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, 2020.
- 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, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2020.
- 4.3** 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, 2020. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
		(Rupees in '000)	
In saving accounts	5.1	1,326,760	2,577,198
In current accounts		2,620	2,844
		<u>1,329,380</u>	<u>2,580,042</u>

- 5.1** The balance in saving accounts have an expected profit ranging from 1.50% to 6.58% per annum (June 30, 2020: 3.00% to 7.50% per annum).

6. INVESTMENTS	Note	September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
		(Rupees in '000)	
Investments - 'at fair value through profit or loss'			
Sukuk Certificates	6.1	<u>7,308,571</u>	<u>7,182,290</u>
6.1 Sukuk Certificates			
Government securities	6.1.1	7,175,701	7,050,000
Corporate sukus	6.1.2	132,870	132,290
		<u>7,308,571</u>	<u>7,182,290</u>

6.1.1 Government securities

Name of the security	Maturity Date	Rate of Return	As at July 01, 2020	Purchased during the quarter	Disposed/matured during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised appreciation / (diminution) as at September 30, 2020	Market value as a percentage of net assets of the Fund	Market value as a percentage of total investments
Pakistan Energy Sukuk (note 6.1.1.1)	March 1, 2029	6 months KIBOR plus base rate of 0.8%	170,000	-	-	170,000	850,000	926,500	76,500	10.52%	12.68%
Pakistan Energy Sukuk II (note 6.1.1.1)	May 20, 2030	6 months KIBOR plus base rate of (0.10%)	1,240,000	1,280,000	1,294,000	1,226,000	6,131,415	6,148,801	17,386	69.82%	84.13%
GoP Ijarah Sukuk Certificates - XXII (note 6.1.2.1)	June 24, 2025	Weighted average 6 months T-Bills	-	1,000	-	1,000	101,120	100,400	(720)	1.14%	1.37%
GoP Ijarah Sukuk Certificates - XXIII - VRR (note 6.1.2.1)	July 29, 2025	Weighted average 6 months T-Bills	-	1,500	1,500	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXIII - FRR (note 6.1.2.1)	July 29, 2025	Weighted average 6 months T-Bills	-	3,500	3,500	-	-	-	-	-	-
Total - September 30, 2020							<u>7,082,535</u>	<u>7,175,701</u>	<u>93,166</u>	<u>81.48%</u>	<u>98.18%</u>
Total as at June 30, 2020							<u>7,050,000</u>	<u>7,050,000</u>	<u>-</u>	<u>72.41%</u>	<u>98.16%</u>

6.1.1.1 Pakistan Energy Sukuk Certificates having nominal value of Rs. 5,000 each
6.1.2 Corporate sukus

Name of the security	Maturity date	Profit rate	As at July 1, 2020	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised appreciation as at September 30, 2020	Percentage in relation to		
										Net assets of the Fund	Total market value of investment	Paid-up-Capital of the investee company (with face value of
										----- % -----		
							(Rupees in '000)					
Power generation & distribution												
Neelum Jhelum Hydropower Company (Private) Limited (AAA, VIS, non-traded) (note 6.1.2.1)	June 29, 2026	6 months KIBOR plus base rate of 1.13%	1,720	-	-	1,720	132,290	132,870	580	1.51%	1.82%	0.17%
Total - September 30, 2020							<u>132,290</u>	<u>132,870</u>	<u>580</u>	<u>1.51%</u>	<u>1.82%</u>	<u>0.17%</u>
Total as at June 30, 2020							<u>132,093</u>	<u>132,290</u>	<u>197</u>	<u>1.36%</u>	<u>1.84%</u>	

6.1.2.1 The nominal value of these sukuk certificate is of Rs. 100,000 each

	Note	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Management fee payable	7.1	3,547	336
Sindh Sales Tax payable on remuneration of the Management Company		461	44
Allocated expenses payable	7.2	1,061	1,089
Selling and marketing expense payable	7.3	8,857	6,964
Sales load payable		275	258
Sindh sales tax on sales load payable		36	33
		<u>14,237</u>	<u>8,724</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 0.5% (2020: 0.6%) per annum of the average net assets of the Fund during the quarter ended September 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

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

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

7.3 The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 22, 2019 the Management Company, based on its own discretion has charged selling and marketing expense at 0.4% of the average annual net assets of the Fund which has also been approved by the Board.

	Note	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		125	350
Printing expenses payable		156	156
Brokerage payable		966	581
Shariah advisor fee payable		230	467
Withholding tax payable		420	46,089
Capital gain tax payable		6,464	7,163
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	31,382	26,406
Zakat payable		145	130
Other Accrued Expenses Payable		381	100
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	8.2	80,077	80,077
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.2	2,562	2,562
		<u>122,908</u>	<u>164,081</u>

8.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision for SWWF not been recorded in the condensed interim financial statements of the Fund for the period from May 21, 2015 to September 30, 2020, the net asset value of the Fund as at September 30, 2020 would have been higher by Re 0.19 (June 30, 2020: Re 0.14).

8.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision for FED not been made, the Net Asset Value of the Fund as at September 30, 2020 would have been higher by Re 0.50 (June 30, 2020 : Rs. 0.44) per unit.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

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 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.

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



	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration payable	3,547	336
Sindh Sales Tax payable on management fee	461	44
Sales load payable	275	258
Sindh Sales Tax payable on sales load	36	33
Allocated expense payable	1,061	1,089
Selling and marketing expense payable	8,857	6,964
Meezan Bank Limited		
Balances with bank	16,313	56,816
Profit receivable on saving accounts	58	163
Sales load payable	249	365
Sindh Sales Tax on sales load payable	32	47
Central Depository Company of Pakistan Limited - Trustee		
Security deposits	100	100
Remuneration Payable	463	474
Sindh Sales Tax on trustee fee	60	62
Meezan Financial Planning Fund of Funds - MAAP I		
Investment of 1,854,203 units (June 30, 2020: 4 units)	98,256	-
Meezan Strategic Allocation Fund - MCPP - III		
Investment of 7,453,720 units (June 30, 2020: 8,103,630 units)	394,981	417,723
Meezan Strategic Allocation Fund - II - MCPP - IV		
Investment of 18,628,757 units (June 30, 2020: 21,045,293 units)	987,158	1,084,834
Meezan Strategic Allocation Fund - II - MCPP - V		
Investment of 343,495 units (June 30, 2020: 4,223,802 units)	18,202	217,726
Meezan Strategic Allocation Fund - II - MCPP - VI		
Investment of 3,862,833 units (June 30, 2020: 4,136,298 units)	204,696	213,216
Meezan Strategic Allocation Fund - II - MCPP - VII		
Investment of 2,294,125 units (June 30, 2020: 2,659,988 units)	121,568	137,116
Meezan Strategic Allocation Fund - II - MCPP - VIII		
Investment of 1,177,545 units (June 30, 2020: 1,238,243 units)	62,399	63,828
Meezan Strategic Allocation Fund - III - MCPP - IX		
Investment of 965,511 units (June 30, 2020: 1,048,981 units)	51,163	54,072
AI Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 161,333 units (June 30, 2020: 161,333 units)	8,549	8,316
Directors and their close family members and key management personnel of the Management Company		
Investment of 192,598 units (June 30, 2020: 314,469 units)	10,206	16,210
For the quarter ended		
September 30,		
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	11,072	6,288
Sindh Sales Tax on remuneration of the Management Company	1,439	817
Allocated expenses	3,321	1,269
Selling and marketing expense	8,857	2,843
Units issued: 4,526,209 units (September 30, 2019: 14,292 units)	234,482	749
Units redeemed: 4,526,209 units (September 30, 2019: nil units)	237,409	-
Meezan Bank Limited		
Profit on saving accounts	117	845
Pakistan Energy Sukuk II certificates sold during the quarter: 1,220,000 sukuk certificates (September 30, 2019: nil)	6,101,830	-

	For the quarter ended September 30,	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	1,439	597
Sindh Sales Tax on trustee fee	187	78
CDS charges for the quarter	567	175
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 1,925,443 units (September 30, 2019: 1,231,272 units)	101,785	65,000
Units redeemed: 71,245 units (September 30, 2019: 3,786,257 units)	3,770	200,613
Meezan Strategic Allocation Fund - MCPP - III		
Units redeemed: 649,910 units (September 30, 2019: 13,138,233 units)	33,920	677,395
Meezan Strategic Allocation Fund - II - MCPP - IV		
Units issued: 3,798,563 units (September 30, 2019: nil units)	200,368	-
Units redeemed: 6,215,100 units (September 30, 2019: 17,633,059 units)	326,278	909,145
Meezan Strategic Allocation Fund - II - MCPP - V		
Units issued: 484,576 units (September 30, 2019: nil units)	25,591	-
Units redeemed: 4,364,872 units (September 30, 2019: 5,140,342 units)	229,440	265,030
Meezan Strategic Allocation Fund - II - MCPP - VI		
Units redeemed: 273,460 units (September 30, 2019: 4,162,469 units)	14,320	214,613
Meezan Strategic Allocation Fund - II - MCPP - VII		
Units redeemed: 365,864 units (September 30, 2019: 2,218,732 units)	19,274	114,396
Meezan Strategic Allocation Fund - II - MCPP - VIII		
Units redeemed: 60,697 units (September 30, 2019: 1,692,281 units)	3,170	87,252
Meezan Strategic Allocation Fund - III - MCPP - IX		
Units issued: 451,261 units (September 30, 2019: nil units)	23,480	-
Units redeemed: 534,731 units (September 30, 2019: 198,820 units)	27,898	10,251
Directors and executives of the Management Company		
Units issued: 1,053,274 units (September 30, 2019: 6,202,110 units)	54,597	325,905
Units redeemed: 1,175,120 units (September 30, 2019: 3,578,170 units)	61,267	186,857

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 1.50% which includes 0.32% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, Sales Taxes, Federal excise Duties, Annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Income Scheme.

12. TAXATION

The 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, 2021 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

13. FINANCIAL INSTRUMENTS - FAIR VALUES

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

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

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

13.1. Fair value hierarchy

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

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.



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

As at September 30, 2020, the Fund held the following financial instruments measured at fair value:

As at September 30, 2020			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
ASSETS			
Financial assets 'at fair value through profit or loss'			
Sukuk Certificates	7,308,571	-	7,308,571
As at June 30, 2020			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
ASSETS			
Financial assets 'at fair value through profit or loss'			
Sukuk Certificates	7,182,290	-	7,182,290

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Cash Fund

Meezan Cash Fund (MCF)

Meezan Cash Fund is Pakistan's first Shariah compliant Money Market Fund. MCF aims to seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in liquid Shariah compliant money market and debt securities.

MEEZAN FUNDS ONLINE



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

Allied Bank Limited	Habib Metropolitan Bank Limited - Islamic Banking
Askari Bank Limited - Islamic Banking	MCB Bank Limited
Bank Al Habib Limited - Islamic Banking	MCB Islamic Bank Limited
Bank Alfalah Limited	Meezan Bank Limited
Dubai Islamic Bank Pakistan Limited	National Bank of Pakistan - Islamic Banking
Faysal Bank Limited - Islamic Banking	Sindh Bank Limited
Habib Bank Limited -Islamic Banking	UBL Ameen - Islamic Banking

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

		September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Assets			
Balances with banks	5	10,253,331	10,054,710
Investments	6	5,191,759	4,172,191
Receivable against conversion of units		259,893	184,956
Profit receivable		71,820	60,289
Deposits and prepayments		526	583
Total assets		<u>15,777,329</u>	<u>14,472,729</u>
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	24,558	18,036
Payable to Central Depository Company of Pakistan Limited - Trustee		945	972
Payable to the Securities and Exchange Commission of Pakistan		770	2,400
Payable against conversion and redemption of units		186,654	200,168
Accrued expenses and other liabilities	8	99,682	224,714
Total liabilities		<u>312,609</u>	<u>446,290</u>
Net assets		<u>15,464,720</u>	<u>14,026,439</u>
Contingencies and commitments	9		
Unit holders' fund (as per statement attached)		<u>15,464,720</u>	<u>14,026,439</u>
		(Number of units)	
Number of units in issue		<u>301,749,824</u>	<u>277,777,662</u>
		(Rupees)	
Net asset value per unit		<u>51.2501</u>	<u>50.4952</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN CASH FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Note	September 30,	
		2020	2019
(Rupees in '000)			
Income			
Profit on saving accounts with banks		182,442	183,454
Profit on term deposit receipts		10,570	83,006
Profit on sukuk certificates		58,026	58,914
Profit on Bai Muajjal		28,586	15,073
Net realised loss on sale of investments		(193)	-
Total income		279,431	340,447
Expenses			
Remuneration of AI Meezan Investment Management Limited - Management Company	7	19,246	19,082
Sindh Sales Tax on remuneration of the Management Company		2,502	2,481
Selling and marketing expenses	7.3	15,397	8,521
Allocated expenses	7.2	5,774	3,825
Remuneration of Central Depository Company of Pakistan 'Limited - Trustee		2,502	1,794
Sindh Sales Tax on remuneration of the Trustee		325	233
Annual fee to the Securities and Exchange Commission of Pakistan		770	552
Auditors' remuneration		180	139
Fees and subscription		364	352
Brokerage expense		30	-
Bank and settlement charges		499	9
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	4,637	6,069
Total expenses		52,226	43,057
Net income for the quarter before taxation		227,205	297,390
Taxation	12	-	-
Net income for the quarter after taxation		227,205	297,390
Allocation of net income for the quarter			
Net income for the period after taxation		227,205	297,390
Income already paid on units redeemed		(42,751)	(70,613)
		184,454	226,777
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		184,454	226,777
		184,454	226,777

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

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

Chief Executive

Chief Financial Officer

Director



MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
	(Rupees in '000)	
Net income for the quarter after taxation	227,205	297,390
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u>227,205</u>	<u>297,390</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020			September 30, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the quarter	13,928,564	97,875	14,026,439	8,807,969	43,119	8,851,088
Issuance of 209,227,691 units (September 30, 2019: 203,672,075 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	10,564,994	-	10,564,994	10,279,961	-	10,279,961
- Element of income	80,459	-	80,459	93,076	-	93,076
Total proceeds on issuance of units	10,645,453	-	10,645,453	10,373,037	-	10,373,037
Redemption of 185,255,529 units (September 30, 2019: 172,962,269 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	9,354,515	-	9,354,515	8,729,942	-	8,729,942
- Element of income	37,111	42,751	79,862	35,903	70,613	106,516
Total payments on redemption of units	9,391,626	42,751	9,434,377	8,765,845	70,613	8,836,458
Total comprehensive income for the quarter	-	227,205	227,205	-	297,390	297,390
Distribution during the quarter	-	-	-	-	-	-
Net income for the quarter less distribution	-	227,205	227,205	-	297,390	297,390
Net assets at the end of the quarter	15,182,391	282,329	15,464,720	10,415,161	269,896	10,685,057
Undistributed income brought forward						
- Realised income		97,875			43,119	
- Unrealised income		-			-	
		<u>97,875</u>			<u>43,119</u>	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		184,454			226,777	
		<u>184,454</u>			<u>226,777</u>	
Distribution during the quarter: nil, (September 30, 2019: nil)		-			-	
Undistributed income carried forward		<u>282,329</u>			<u>269,896</u>	
Undistributed income carried forward						
- Realised income		282,329			269,896	
- Unrealised income		-			-	
		<u>282,329</u>			<u>269,896</u>	
Net assets value per unit at the beginning of the quarter			(Rupees) <u>50.4952</u>			(Rupees) <u>50.4731</u>
Net assets value per unit at the end of the quarter			<u>51.2501</u>			<u>51.8510</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN CASH FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	227,205	297,390
(Increase) / Decrease in assets		
Investments - net	(19,568)	1,447,638
Deposits and prepayments	57	56
Profit receivable	(11,531)	(27,544)
	(31,042)	1,420,150
Decrease in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	6,522	4,448
Payable to Central Depository Company of Pakistan Limited - Trustee	(27)	(187)
Payable to Securities and Exchange Commission of Pakistan	(1,630)	(8,212)
Accrued expenses and other liabilities	(125,032)	(32,502)
	(120,167)	(36,453)
Net cash generated from operating activities	<u>75,996</u>	<u>1,681,087</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	10,570,516	10,226,554
Payments against redemption and conversion of units	(9,447,891)	(8,687,325)
Net cash generated from financing activities	1,122,625	1,539,229
Net increase in cash and cash equivalents during the quarter	<u>1,198,621</u>	<u>3,220,316</u>
Cash and cash equivalents at the beginning of the quarter	10,404,710	5,430,335
Cash and cash equivalents at the end of the quarter	5.2 <u><u>11,603,331</u></u>	<u><u>8,650,651</u></u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN CASH FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Cash 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 May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to provide the unit holders with safe and stable stream of halal income on their investments and to generate superior long term risk adjusted returns. The Fund shall also keep exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point in time. The Fund shall seek to maximise preservation of capital and a reasonable rate of return via investing primarily in liquid Shariah compliant money market and Shariah compliant debt securities. Under the trust deed, all the conducts and acts of the Fund are based on Shariah principles. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is categorized as an open-end Shariah Compliant (Islamic) Money Market Scheme listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2019 (2019: AM1 dated December 28, 2018) and by PACRA dated June 26, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. Further, VIS has assigned a stability rating of AA(f) to the Fund in its credit rating report dated December 30, 2019.
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS 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, 2020.
- 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, 2020. 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, 2020.
- 4.3 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, 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	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited) (Rupees in '000)
In saving accounts	5.1	10,252,685	10,054,064
In current accounts		646	646
		<u>10,253,331</u>	<u>10,054,710</u>

- 5.1 The balances in saving accounts have an expected profit ranging from 1.5 % to 6.58 % per annum (June 30, 2020: 1.50% to 7.50% per annum).

5.2 Cash and cash equivalents	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited) (Rupees in '000)
Balances with banks	5	10,253,331	10,054,710
Term deposit receipts - having original maturity of 3 months or less	6	1,350,000	350,000
		<u>11,603,331</u>	<u>10,404,710</u>

6. INVESTMENTS

At fair value through profit or loss

Corporate sukuk	6.1	675,000	675,000
Commercial papers	6.2	2,166,230	1,080,275
Term deposit receipts - having original maturity of 3 months or less	6.3	1,350,000	350,000
Bai muajjal receivable	6.4	1,000,529	2,066,916
		<u>5,191,759</u>	<u>4,172,191</u>

6.1 Corporate Sukuks

Name of the Security	Maturity date	Profit rate	As at July 1, 2020	Purchased during the period	Sales / matured during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to	
										Net assets of the fund	Total market value of investments
						(Rs in '000)		(%)			
Hub Power Company Limited - VI (AA+, PACRA) (note 6.1.1)	November 19, 2020	3 month KIBOR plus base rate of 1.00%	6,750	-	-	6,750	675,000	675,000	-	4.36%	13.00%

Total as at September 30, 2020

675,000 675,000

Total as at June 30, 2020

675,000 675,000

6.1.1 The nominal value of the sukuk certificates is Rs 5,000 each.

6.2 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2020	Purchases during the period	Sales / redemptions / maturity during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to	
										Net assets of the fund	Total market value of investments
						(Rupees in '000)		(%)			
K-Electric Limited CP V (note 6.2.1)		6 month KIBOR plus base rate of 1.15%	109	-	109	-	-	-	-	0.00%	0.00%
K-Electric Limited CP VI (note 6.2.1)		6 month KIBOR plus base rate of 1.15%	225	-	225	-	-	-	-	0.00%	0.00%
K-Electric Limited CP VII (note 6.2.1)		6 month KIBOR plus base rate of 1.15%	250	-	250	-	-	-	-	0.00%	0.00%
K-Electric Limited CP VIII (note 6.2.1)		6 month KIBOR plus base rate of 1.15%	525	-	-	525	524,175	524,175	-	3.39%	10.10%
K-Electric Limited CP IX (note 6.2.1)		6 month KIBOR plus base rate of 1.00%	-	675	-	675	655,464	655,464	-	4.24%	12.63%
K-Electric Limited CP X (note 6.2.1)		6 month KIBOR plus base rate of 0.95%	-	675	-	675	653,624	653,624	-	4.23%	12.59%
K-Electric Limited CP XI (note 6.2.1)		6 month KIBOR plus base rate of 0.95%	-	250	-	250	241,469	241,469	-	1.56%	4.65%
K-Electric Limited CP XII (note 6.2.1)		6 month KIBOR plus base rate of 0.75%	-	95	-	95	91,498	91,498	-	0.59%	1.76%
Total as at September 30, 2020						<u>2,166,230</u>		<u>2,166,230</u>			
Total as at June 30, 2020						<u>1,471,289</u>		<u>1,471,289</u>			

6.2.1 The nominal value of these commercial papers is Rs 1,000,000 each.

6.2.2 The securities are valued on the basis of amortization to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and non traded debt securities with residual maturity of upto six months.

6.3 Term deposit receipts

Name of the bank	Maturity	Profit rate	As at July 1, 2020	Term deposit receipts placed during the period	Matured during the period	As at September 30, 2020	Percentage in relation to	
							Total market value of investment	
						(Rupees in '000)		(%)
UBL - Ameen	July 8, 2020	7.35%	350,000	-	350,000	-	-	-
UBL - Ameen	August 8, 2020	6.45%	-	350,000	350,000	-	-	-
UBL - Ameen	September 8, 2020	6.45%	-	350,000	350,000	-	-	-
UBL - Ameen	October 8, 2020	6.50%	-	350,000	-	350,000	6.74%	
UBL - Ameen	October 5, 2020	6.50%	-	1,000,000	-	1,000,000	19.26%	
Total as at September 30, 2020						<u>1,350,000</u>		<u>26.00%</u>
Total as at June 30, 2020						<u>350,000</u>		<u>8.39%</u>

6.4 Bai Muajjal Receivable

The Fund entered in a Bai Muajjal Transaction with Pak China Investment Company Limited, which have credit rating of AAA as rated by VIS, on June 25, 2020 against Hubco sukuk (issued on May 19, 2020) at an effective interest rate of 6.65%. The final payment is agreed to be received on December 18, December 22, December 24 and December 28, 2020 respectively. The final transaction price is Rs. 253.849 million, 254.107 million, 254.237 million and 253.444 million which includes deferred profit of Rs. 4.140 million, 4.144 million, 4.146 million and 4.133 million respectively.

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Management fee payable	7.1	6,410	942
Sindh Sales Tax payable on remuneration of the Management Company		833	122
Selling and marketing expenses payable	7.3	15,395	14,990
Allocated expenses payable	7.2	1,920	1,982
		<u>24,558</u>	<u>18,036</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding 1% of the average annual net assets in case of Money Market Scheme. Effective from July 01, 2020, the management company has reduced the rate of remuneration upto 0.6% of average annual net assets of the fund. The remuneration is payable to the Management Company monthly in arrears.

Currently the management fee is being charged at the rate of 0.5% of annual net asset.

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

The management company based on its own discretion has currently fixed a maximum capping of 0.15% of the average annual net assets of the scheme for allocation of such expenses to the Fund for the year for the quarter.

7.3 The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 22, 2019 the Management Company, based on its own discretion has charged selling and marketing expense at 0.4% of the average annual net assets of the Fund which has also been approved by the Board.

	Note	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	60,370	55,733
Withholding tax and capital gain tax payable		2,889	122,325
Capital gain tax payable		7,457	17,210
Provision for Federal Excise Duty and related Sindh Sales tax on remuneration of the management company	8.2	27,018	27,018
Shariah advisor fee payable		349	606
Brokerage expense payable		83	511
Auditors' remuneration		131	336
Printing expense payable		111	111
Other expenses		528	389
Zakat payable		746	475
		<u>99,682</u>	<u>224,714</u>

8.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Sindh Workers' Welfare Fund not been made, the net asset value per unit as at September 30, 2020 would have been higher by Re. 0.20 per unit (June 30, 2020: Re. 0.20 per unit).

8.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Federal Excise Duty not being made, the net asset value per unit as at September 30, 2020 would have been higher by Re. 0.09 (June 30, 2020: Rs. 0.10) per unit.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10. 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 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 Regulations and the Trust Deed respectively.

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

	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited) (Rupees in '000)
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	6,410	942
Sindh Sales Tax payable on management fee	833	122
Selling and marketing expenses	15,395	14,990
Allocated expenses payable	1,920	1,982
Meezan Bank Limited		
Balance with bank	2,610	245,644
Profit receivable on saving accounts	65	318
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	836	860
Sindh Sales Tax on trustee fee payable	109	112
Security deposit	100	100
Directors and executives of the Management Company		
Investment of 8,270,686 units (June 30, 2020: 8,292,346 units)	423,874	418,724
For the quarter ended September 30,		
	2020	2019
	(Unaudited)	(Unaudited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration for the period	19,246	19,082
Sindh Sales Tax on remuneration of Management Company	2,502	2,481
Selling and marketing expense	15,397	8,521
Allocated expenses	5,774	3,825
Units issued: nil units (September 30, 2019: 16 units)	-	1
Units redeemed: nil units (September 30, 2019: 16 units)	-	1
Meezan Bank Limited		
Profit on saving accounts	789	1,568
Term deposit receipt placed	-	1,000,000
Profit on term deposit receipt	-	10,726



For the quarter ended

September 30,

Central Depository Company of Pakistan Limited - the Trustee

Trustee fee for the period

Sindh Sales Tax on remuneration of the trustee

CDS charges

2020 (Unaudited)	2019 (Unaudited)
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2,502	1,794
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325	233
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321	1
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Meezan Financial Planning Fund of Funds

- Aggressive Allocation Plan

Units issued: nil units (September 30, 2019: nil units)

Units redeemed: nil units (September 30, 2019: 898,802 units)

-	-
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-	45,839
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Meezan Financial Planning Fund of Funds

- Conservative Allocation Plan

Units issued: nil units (September 30, 2019: nil units)

Units redeemed: nil units (September 30, 2019: 1,628,815 units)

-	-
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-	83,034
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Meezan Financial Planning Fund of Funds

- Moderate Allocation Plan

Units issued: nil units (September 30, 2019: nil units)

Units redeemed: nil units (September 30, 2019: 1,000,001 units)

-	-
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-	50,914
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Meezan Financial Planning Fund of Funds - MAAP - I

Units issued: nil units (September 30, 2019: 3,820,836 units)

Units redeemed: nil units (September 30, 2019: 114,716 units)

-	196,312
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-	5,900
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Meezan Strategic Allocation Fund - MSAP - II

Units redeemed: nil units (September 30, 2019: 1,616 units)

-	83
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Meezan Strategic Allocation Fund - MSAP - III

Units redeemed: nil units (September 30, 2019: 116,450 units)

-	5,926
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Meezan Strategic Allocation Fund - MSAP - IV

Units redeemed: nil units (September 30, 2019: 158,203 units)

-	8,082
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Meezan Strategic Allocation Fund - MSAP - V

Units redeemed: nil units (September 30, 2019: 786,614 units)

-	40,274
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Meezan Strategic Asset Allocation Fund - MCPP-III

Units issued: nil units (September 30, 2019: 37,706,480 units)

Units redeemed: nil units (September 30, 2019: 21,556,857 units)

-	1,920,788
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-	1,102,953
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Meezan Strategic Allocation Fund II- MCPP - IV

Units issued: 3,239,124 units (September 30, 2019: 25,324,885 units)

Units redeemed: 3,239,124 units (September 30, 2019: 25,324,885 units)

165,000	1,281,258
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165,077	1,295,287
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Meezan Strategic Allocation Fund II- MCPP - V

Units issued: 569,301 units (September 30, 2019: 7,369,902 units)

Units redeemed: 569,301 units (September 30, 2019: 7,369,858 units)

29,000	372,855
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29,014	375,734
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Meezan Strategic Allocation Fund II- MCPP - VI

Units issued: nil units (September 30, 2019: 5,855,367 units)

Units redeemed: nil units (September 30, 2019: 5,855,325 units)

-	296,207
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-	298,555
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Meezan Strategic Allocation Fund II- MCPP - VII

Units issued: nil units (September 30, 2019: 3,058,517 units)

Units redeemed: nil units (September 30, 2019: 3,058,517 units)

-	154,708
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-	155,937
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	For the quarter ended	
	September 30,	
	2020	2019
	(Unaudited)	(Unaudited)
	(Rupees in '000)	
Meezan Strategic Allocation Fund II- MCPP - VIII		
Units issued: nil units (September 30, 2019: 4,124,642 units)	-	209,083
Units redeemed: nil units (September 30, 2019: 4,124,635 units)	-	209,717
Meezan Strategic Allocation Fund III- MCPP - IX		
Units issued: nil units (September 30, 2019: 1,474,895 units)	-	74,789
Units redeemed: nil units (September 30, 2019: 1,539,522 units)	-	78,256
Directors and Executives of the Management Company		
Units issued: 983,731 units (September 30, 2019: 269,542 units)	50,079	13,758
Units redeemed: 1,005,390 units (September 30, 2019: 259,928 units)	51,106	13,250

11. TOTAL EXPENSE RATIO (TER)

The Total Expense Ratio (TER) of the Fund as at September 30, 2020 is 1.36% which includes 0.21% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Money Market scheme.

12. TAXATION

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

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

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

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

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

As at September 30, 2020, the Fund held the following financial instruments measured at fair values:

As at September 30, 2020			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
ASSETS			
Financial assets 'at fair value through profit or loss'			
Corporate sukuks	675,000	-	675,000
Commercial papers*	2,166,230	-	2,166,230
Term deposit receipts	1,350,000	-	1,350,000
Bai Muajjal receivable	1,000,529	-	1,000,529
	5,191,759		5,191,759

As at June 30, 2020			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
ASSETS			
Financial assets 'at fair value through profit or loss'			
Corporate sukuks	675,000	-	675,000
Commercial papers*	1,080,275	-	1,080,275
Term deposit receipts	350,000	-	350,000
Bai Muajjal receivable	2,066,916	-	2,066,916
	4,172,191		4,172,191

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

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Rozana Amdani Fund

Meezan Rozana Amdani Fund (MRAF)

Meezan Rozana Amdani Fund the objective of the Fund is to meet liquidity needs of investors by providing investors a daily payout through investment in Shariah Compliant money market instruments.

The Fund shall be subject to such exposure limits as are specified in the Rules, the Regulations and directives issued by SECP from time to time. The Fund will make daily payout to the unit holders, which will be reinvested.

MANAGER OF
LARGEST
MONEY MARKET FUND



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

Allied Bank Limited
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Of Punjab - Islamic Banking
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib 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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

MEEZAN ROZANA AMDANI FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020



	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Assets		
Balances with banks	5 26,129,513	38,829,879
Investments	6 17,850,656	14,938,606
Receivable against conversion of units	132,152	95,551
Profit accrued	120,623	184,297
Deposits and prepayments	249	278
Preliminary expenses and floatation costs	649	699
Total assets	<u>44,233,842</u>	<u>54,049,310</u>
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	10 50,431	36,196
Payable to Central Depository Company of Pakistan Limited - Trustee	2,789	3,213
Payable to the Securities and Exchange Commission of Pakistan	2,283	6,657
Payable against conversion and redemption of units	90,103	524,590
Dividend payable	8,174	13,279
Accrued expenses and other liabilities	8 133,053	114,428
Total liabilities	<u>286,833</u>	<u>698,363</u>
Net assets	<u>43,947,009</u>	<u>53,350,947</u>
Contingencies and commitments	7	
Unit holders' fund (as per statement attached)	<u>43,947,009</u>	<u>53,350,947</u>
	----- (Number of units) -----	
Number of units in issue	<u>878,940,178</u>	<u>1,067,018,923</u>
	----- (Rupees) -----	
Net asset value per unit	<u>50.0000</u>	<u>50.0000</u>

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

For AI Meezan Investment Management Limited
(Management Company)

 Chief Executive

 Chief Financial Officer

 Director

**MEEZAN ROZANA AMDANI FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

		September 30,	
		2020	2019
Note	----- (Rupees in '000) -----		
Income			
		89,263	78,033
		44,908	156,555
		186,001	70,288
	6.4	497,790	429,214
		(1,094)	(828)
		816,868	733,262
Expenses			
	10	22,827	18,391
		2,967	2,391
		7,419	3,770
		964	490
	10.2	2,283	1,160
		41,861	16,208
		139	100
		50	50
		330	319
		236	388
		1,791	446
	8.1	14,720	13,791
		95,587	57,504
		721,281	675,758
	12	-	-
		721,281	675,758
Allocation of net income for the quarter			
		721,281	675,758
		-	-
		721,281	675,758
Accounting income available for distribution			
		-	-
		721,281	675,758
		721,281	675,758

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

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

Chief Executive

Chief Financial Officer

Director



MEEZAN ROZANA AMDANI FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	<u>September 30,</u>	
	<u>2020</u>	<u>2019</u>
	<u>----- (Rupees in '000) -----</u>	
Net income for the quarter after taxation	721,281	675,758
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>721,281</u>	<u>675,758</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN ROZANA AMDANI FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30,	
	2020	2019
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	721,281	675,758
Adjustments for:		
Amortisation of preliminary expenses and floatation costs	50	50
	<u>721,331</u>	<u>675,808</u>
(Increase) / decrease in assets		
Investments	(2,168,065)	(2,466,883)
Profit accrued	63,674	(67,970)
Deposits and prepayments	29	50
	<u>(2,104,362)</u>	<u>(2,534,803)</u>
	<u>(1,383,031)</u>	<u>(1,858,995)</u>
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	14,235	13,359
Payable to Central Depository Company of Pakistan Limited - Trustee	(424)	452
Payable to Securities and Exchange Commission of Pakistan	(4,374)	(2,258)
Accrued expenses and other liabilities	18,625	28,574
	<u>28,062</u>	<u>40,127</u>
Net cash used in operating activities	<u>(1,354,969)</u>	<u>(1,818,868)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	24,917,955	32,046,447
Payments against redemption and conversion of units	(34,792,981)	(22,779,243)
Dividend paid	(726,386)	(659,647)
Net cash (used) / generated from financing activities	<u>(10,601,412)</u>	<u>8,607,557</u>
Net (Decrease) / increase in cash and cash equivalents during the quarter	<u>(11,956,381)</u>	<u>6,788,689</u>
Cash and cash equivalents at the beginning of the quarter	41,346,317	12,323,651
Cash and cash equivalents at the end of the quarter	<u><u>5.3</u> 29,389,936</u>	<u><u>19,112,340</u></u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN ROZANA AMDANI FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Rozana Amdani Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on October 29, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The investment objective of the Fund is to meet liquidity needs of investors by providing investors a daily payout through investment in Shariah Compliant money market instruments. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Dr. Imran Ashraf Usmani 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 Money Market Scheme and has the following specific features:
- (a) Dividend will be distributed to the entitled unit holders on a daily basis.
 - (b) Daily dividend received by the unit holder shall be reinvested.
- By distributing dividend on a daily basis, the Management Company is required to ensure that total distribution in an accounting period accumulates to an amount that is required under the tax laws and other regulations in force.
- 1.4 Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange.
- 1.5 The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2019 (2019: AM1 dated December 29, 2017) and PACRA dated June 26, 2020 (2019: AM1 dated June 28, 2019). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The stability rating of the Fund is AA(f) given by VIS Credit Rating Company Limited.
- 1.6 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS 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, 2020.
- 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, 2020. 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, 2020.

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

5. BALANCES WITH BANKS	Note	September 30,	June 30,
		2020 (Unaudited)	2020 (Audited)
		(Rupees in '000)	
In saving accounts	5.1	26,129,479	38,829,845
In current accounts		34	34
		26,129,513	38,829,879

- 5.1** The balances in saving accounts have an expected profit ranging from 2.50% to 6.58% per annum (June 30, 2020: 1.50% to 14.25% per annum)

5.3 Cash And cash equivalents	Note	September 30,	June 30,
		2020 (Unaudited)	2020 (Audited)
		(Rupees in '000)	
Balances with banks	5	26,129,513	38,829,879
Term deposit receipts having original maturity of 3 months or less	6.3	3,260,423	2,516,438
		29,389,936	41,346,317

6. INVESTMENTS

At fair value through profit or loss

Commercial paper	6.1	2,759,192	675,000
Corporate sukuk	6.2	675,000	2,466,695
Term deposit receipts having original maturity of 3 months or less	6.3	3,260,423	2,516,438
Bai Muajjal receivable	6.4	11,156,041	9,280,473
		17,850,656	14,938,606

6.1 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2020	Purchases during the period	Sales / redemptions / maturity during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised appreciation/ (diminution)	As a percentage of net assets of the fund --- % ---	As a percentage of total market value of investment
			(Number of certificates)			(Rupees in '000)			---		
K-Electric Limited CP-5 Sukuk (note 6.1.1)	August 14, 2020	6 months Kibor plus base rate of 1.15%	600	-	600	-	-	-	-	0.00%	0.00%
K-Electric Limited CP-6 Sukuk (note 6.1.1)	August 26, 2020	6 months Kibor plus base rate of 1.15%	600	-	600	-	-	-	-	0.00%	0.00%
K-Electric Limited CP-7 Sukuk (note 6.1.1)	September 10, 2020	6 months Kibor plus base rate of 1.15%	800	-	800	-	-	-	-	0.00%	0.00%
K-Electric Limited CP-8 Sukuk (note 6.1.1)	October 06, 2020	6 months Kibor plus base rate of 1.15%	525	-	-	525	524,175	524,175	-	1.19%	2.94%
K-Electric Limited CP-9 Sukuk (note 6.1.1)	February 12, 2021	6 months Kibor plus base rate of 1.00%	-	675	-	675	655,464	655,464	-	1.49%	3.67%
K-Electric Limited CP-10 Sukuk (note 6.1.1)	February 26, 2021	6 months Kibor plus base rate of 0.95%	-	675	-	675	653,624	653,624	-	1.49%	3.66%
K-Electric Limited CP-11 Sukuk (note 6.1.1)	March 09, 2021	6 months Kibor plus base rate of 0.85%	-	480	-	480	463,621	463,621	-	1.05%	2.60%
K-Electric Limited CP-12 Sukuk (note 6.1.1)	March 24, 2021	6 months Kibor plus base rate of 0.75%	-	480	-	480	462,308	462,308	-	1.05%	2.59%
Total as at September 30, 2020							2,759,192	2,759,192			
Total as at June 30, 2020							2,466,695	2,466,695			

6.1.1 The nominal value of these sukuk certificates is Rs 1,000,000 each.

6.1.2 The securities are valued on the basis of amortization to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and non traded debt securities with residual maturity of up to six months.

6.2 Corporate sukuk

Name of the security	Maturity date	Profit rate	As at July 1, 2020	Purchases during the period	Sales / redemptions / maturity during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to	
			(Number of certificates)			(Rupees in '000)			----- % -----		Net assets of the Fund
Hub Power Company Limited IV (AA+, PACRA) (note 6.2.1)	November 19, 2020	6 months Kibor plus base rate of 1.50%	6,750	-	-	6,750	675,000	675,000	-	1.54%	3.78%
Total as at September 30, 2020							675,000	675,000			
Total as at June 30, 2020							675,000	675,000			

6.2.1 The nominal value of the sukuk certificates is Rs 100,000 each.

6.3 Term deposit receipts

Name of the bank	Maturity	Profit rate	As at July 1, 2020	Term deposit receipts placed during the period	Matured during the period	As at September 30, 2020	Percentage in relation to		
		%	(Rupees in '000)			----- % -----		Net assets of the fund	Total market value of investment
United Bank Limited	July 02, 2020	7.35%	2,516,438	-	2,516,438	-	-	-	
United Bank Limited	August 03, 2020	6.45%	-	2,532,147	2,532,147	-	-	-	
United Bank Limited	September 03, 2020	6.45%	-	2,546,466	2,546,466	-	-	-	
United Bank Limited	October 05, 2020	6.50%	-	2,560,423	-	2,560,423	5.83%	14.34%	
United Bank Limited	October 05, 2020	6.50%	-	700,000	-	700,000	1.59%	3.92%	
Total as at September 30, 2020							8,339,036	7,595,051	3,260,423
Total as at June 30, 2020							11,716,439	13,850,000	2,516,438

6.4 Bai Muajjal receivable

The Fund entered into certain Bai Muajjal Transactions with Pak Brunei Investment Company Limited, Pak Kuwait Investment Company Limited, Pak China Investment Company Limited and Samba Bank Limited against K-Electric Limited Commercial Papers and HUBCO Corporate Sukuk having profit ranging from 6.15% to 7.85% per annum with latest maturity on February 18, 2021. The total transaction value is Rs. 11,335.36 million which includes deferred profit of Rs. 352.73 million.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
Note	(Rupees in '000)	
8. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	100	282
Brokerage payable	243	1,341
Shariah advisor fee payable	274	540
Withholding tax payable	34,013	29,570
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1 96,194	81,496
CDS Charges Payable	173	77
Other payables	527	367
Zakat payable	1,529	755
	<u>133,053</u>	<u>114,428</u>

- 8.1** The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Sindh Workers' Welfare Fund not been made, the dividend paid by the Fund during the period September 30, 2020 would have been higher by Re. 0.11 per unit (June 30, 2020: 0.08 per unit).

9. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2020 is 0.84% which includes 0.18% representing government levy, Sindh Workers' Welfare Fund, sales tax, annual fee to the SECP etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Money Market Scheme.

10. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

	September 30, 2020	September 30, 2019
Note	(Rupees in '000)	
Management fee payable	10.1 7,585	5,762
Sindh Sales Tax payable on remuneration of the Management Company	986	749
Selling and marketing expenses payable	10.2 41,860	16,208
	<u>50,431</u>	<u>22,719</u>

- 10.1** As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Effective from July 01, 2020, the Management Company has charged the remuneration up to 3.5 % of gross earnings of the Fund subject to minimum of 0.1% and maximum of 0.75 % of average annual net assets of the Fund. The remuneration is payable to the Management Company monthly in arrears.

Currently, the management fee is being charged at the rate of 0.2% of the average annual net assets of the fund.

- 10.2** The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, effective from July 01, 2020 the Management Company, based on its own discretion has charged selling and marketing expense at 0.4% of the average annual net assets of the fund till August 31, 2020 and subsequently effective from September 01, 2020 the Management Company reduced selling and marketing expense rate from 0.4% to 0.3% of the average annual net assets of the Fund which has also been approved by the Board.

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 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.

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

	September 30, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	7,585	1,440
Sindh Sales Tax on management fee payable	986	187
Selling and marketing expense payable	41,860	34,569
Investment of 39,556,484 units (June 30, 2020:33,990,446 units)	1,977,824	1,699,522
Al Meezan Investment Management Limited - Employee Gratuity Fund		
Investment of 406,361 units (June 30, 2020:Nil units)	20,318	-
Meezan Bank Limited		
Bank balance	30,288	175,445
Profit receivable on saving accounts	5,233	1,864
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	2,468	2,843
Sindh Sales Tax on trustee fee payable	321	370
Security deposit	100	100
CDS Charges Payable	173	77
Meezan Strategic Allocation Fund -II - MCPP - IV		
Investment of 190,089 units (June 30, 2020:Nil units)	9,504	-
Meezan Strategic Allocation Fund-II - MCPP - V		
Investment of 3,243,672 units (June 30, 2020:Nil units)	162,184	-
Meezan Strategic Allocation Fund III- MCPP - IX		
Investment of 50,028 units (June 30, 2020: Nil units)	2,501	-
Unitholders holding 10 percent or more of the Fund		
Investment of 201,393,955 units (June 30, 2020:228,629,749 units)	10,069,698	11,431,488
Directors and Executives of the Management Company		
Investment of 164,110 units (June 30, 2020: 163,605 units)	8,206	8,180



**For the Quarter ended
September 30,**

2020 2019

(Rupees in '000)

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

Remuneration for the period	22,827	18,391
Sindh Sales Tax on management fee for the period	2,967	2,391
Selling and marketing expense	41,861	16,208
Units issued: 14,366,038 units (September 30,2019: 11,718,886 units)	718,302	585,944
Units redeemed: 8,800,000 units (September 30,2019: 5,953,323 units)	440,000	297,666
Dividend paid	28,476	27,865

AI Meezan Investment Management Limited - Employee Gratuity Fund

Units issued: 406,361 units (September 30,2019: Nil units)	20,318	-
Dividend paid	118	-

Meezan Bank Limited

Profit on saving account	3,961	2,148
Term deposit receipt placed	-	2,700,000
Term deposit receipt matured	-	1,500,000
Profit on term deposit receipts	-	20,256

Central Depository Company of Pakistan Limited - Trustee

Remuneration fee for the period	7,419	3,770
Sindh Sales Tax on trustee fee for the period	964	490
CDS charges	1,591	375

Meezan Strategic Allocation Fund - MSAP - I

Units issued: Nil units (September 30,2019: 9,696,755 units)	-	484,838
Units redeemed: Nil units (September 30,2019: 1,955,919 units)	-	97,796
Dividend paid	-	5,604

Meezan Strategic Allocation Fund - MSAP - II

Units issued: Nil units (September 30,2019: 3,451,102 units)	-	172,555
Units redeemed: Nil units (September 30,2019: 1,146,071 units)	-	57,304
Dividend paid	-	2,697

Meezan Strategic Allocation Fund - MSAP - III

Units issued: Nil units (September 30,2019: 5,309,861 units)	-	265,493
Units redeemed: Nil units (September 30,2019: 1,534,967 units)	-	76,748
Dividend paid	-	3,981

Meezan Strategic Allocation Fund - MSAP - IV

Units issued: Nil units (September 30,2019: 5,605,930 units)	-	280,297
Units redeemed: Nil units (September 30,2019: 1,660,240 units)	-	83,012
Dividend paid	-	4,258

Meezan Strategic Allocation Fund - MSAP - V

Units issued: Nil units (September 30,2019: 1,755,760 units)	-	87,788
Units redeemed: Nil units (September 30,2019: 436,802 units)	-	21,840
Dividend paid	-	1,176

Meezan Strategic Asset Allocation Fund - MCPP-III

Units issued: Nil units (September 30,2019: 24,127,681 units)	-	1,206,384
Units redeemed: Nil units (September 30,2019: 25,918,243 units)	-	1,295,912
Dividend paid	-	7,064

Meezan Strategic Allocation Fund II- MCPP - IV

Units issued: 3,647,448 units (September 30,2019: 24,857,383 units)	182,372	1,242,869
Units redeemed: 3,457,360 units (September 30,2019: 8,176,657 units)	172,868	408,833
Dividend paid	695	18,633

Meezan Strategic Allocation Fund II- MCPP - V

Units issued: 3,750,212 units (September 30,2019: 7,076,572 units)	187,511	353,829
Units redeemed: 506,540 units (September 30,2019: 2,970,880 units)	25,327	148,544
Dividend paid	1,068	6,465

**For the Quarter ended
September 30,**

	2020	2019
	(Rupees in '000)	

Meezan Strategic Allocation Fund II- MCPP - VI

Units issued: Nil units (September 30,2019: 5,851,355 units)	-	292,568
Units redeemed: Nil units (September 30,2019: 2,295,491 units)	-	114,775
Dividend paid	-	5,180

Meezan Strategic Allocation Fund II- MCPP - VII

Units issued: Nil units (September 30,2019: 2,902,040 units)	-	145,102
Units redeemed: Nil units (September 30,2019: 920,088 units)	-	46,004
Dividend paid	-	2,773

Meezan Strategic Allocation Fund II- MCPP - VIII

Units issued: Nil units (September 30,2019: 4,656,902 units)	-	232,845
Units redeemed: Nil units (September 30,2019: 3,063,357 units)	-	153,167
Dividend paid	-	2,412

Meezan Strategic Allocation Fund III- MCPP - IX

Units issued: 110,137 units (September 30,2019: 3,369,887 units)	5,507	168,494
Units redeemed: 60,109 units (September 30,2019: 1,407,079 units)	3,005	70,354
Dividend paid	7	1,859

Directors and Executives of the Management Company

Units issued: 22,265 units (September 30,2019: 13,779 units)	1,133	689
Units redeemed: 21,760 units (September 30,2019: 2,263,247 units)	1,088	113,162
Dividend paid	133	810

12. TAXATION

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

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

13. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

Level 1: Quoted market price (unadjusted) in active markets for an identical assets or liabilities.

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

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

As at September 30, 2020, the Fund held the following financial instruments measured at fair values:

As at September 30, 2020				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----				
ASSETS				
Financial assets 'at fair value through profit or loss'				
Corporate sukuk	-	675,000	-	675,000
Commercial papers *	-	2,759,192	-	2,759,192
Term deposit receipts - having original maturity of 3 months or less *		3,260,423	-	3,260,423
Bai Muajjal receivable	-	11,156,041	-	11,156,041
	-	17,850,656	-	17,850,656

As at June 30, 2020				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----				
ASSETS				
Financial assets 'at fair value through profit or loss'				
Corporate sukuk	-	675,000	-	675,000
Commercial papers *	-	2,466,695	-	2,466,695
Term deposit receipts - having original maturity of 3 months or less *		2,516,438	-	2,516,438
Bai Muajjal receivable	-	9,280,473	-	9,280,473
	-	14,938,606	-	14,938,606

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

14. GENERAL

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

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

 Chief Executive

 Chief Financial Officer

 Director



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.

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- Data
- Security
- Analysis
- Innovation
- Technology
- Network

FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

----- (Unaudited) -----						
September 30, 2020						
	Aggressive	Moderate	Conservative	MAAP-I	Total	
Note	----- (Rupees in '000) -----					
Assets						
Balances with banks	5	3,400	3,731	1,003	232	8,366
Investments	6	313,028	146,419	149,217	361,229	969,893
Receivable against conversion of units		283	81	109	-	473
Receivable against sale of investments		2,940	1,578	4,420	470	9,408
Profit receivable on saving accounts with banks		3	31	5	1	40
Total assets		319,654	151,840	154,754	361,932	988,180
Liabilities						
Payable to AI Meezan Investment Management Limited - Management Company	7	31	19	30	30	110
Payable to Central Depository Company of Pakistan Limited - Trustee		25	9	18	12	64
Payable to Meezan Bank Limited		6	23	-	-	29
Payable to Securities and Exchange Commission of Pakistan		16	7	8	18	49
Payable on redemption and conversion of units		411	6,109	2,091	470	9,081
Payable against purchase of investments		2,940	1,578	1,420	-	5,938
Accrued expenses and other liabilities	9	5,215	3,529	2,618	11,828	23,190
Total liabilities		8,644	11,274	6,185	12,358	38,461
Net assets		311,010	140,566	148,569	349,574	949,718
Contingencies and commitments	8					
Unit holders' fund (as per statement attached)		311,010	140,566	148,569	349,574	949,719
----- (Number of units) -----						
Number of units in issue		4,445,008	2,163,392	2,316,576	6,205,064	
----- (Rupees) -----						
Net asset value per unit		69.9684	64.9747	64.1331	56.3369	

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

(Audited)						
As at June 30, 2020						
	Aggressive	Moderate	Conservative	MAAP-I	Total	
Note ----- (Rupees in '000) -----						
Assets						
Balances with banks	5	1,858	2,265	7,687	1,318	13,128
Investments	6	289,209	120,616	143,532	329,470	882,827
Receivable against conversion of units		103	9	81	-	193
Profit receivable on saving accounts with banks		7	15	10	12	44
Total assets		<u>291,177</u>	<u>122,905</u>	<u>151,310</u>	<u>330,800</u>	<u>896,192</u>
Liabilities						
Payable to AI Meezan Investment Management Limited - Management Company	7	23	14	31	27	95
Payable to Central Depository Company of Pakistan Limited - Trustee		22	7	18	9	56
Payable to Meezan Bank Limited		3	1	2	-	6
Payable to Securities and Exchange Commission of Pakistan		61	28	34	74	197
Payable on redemption and conversion of units		3,462	752	5,034	-	9,248
Dividend Payable		40	112	-	1,184	1,336
Accrued expenses and other liabilities	9	4,826	3,422	2,312	11,387	21,947
Total liabilities		<u>8,437</u>	<u>4,336</u>	<u>7,431</u>	<u>12,681</u>	<u>32,885</u>
Net assets		<u>282,740</u>	<u>118,569</u>	<u>143,879</u>	<u>318,119</u>	<u>863,307</u>
Unit holders' fund (as per statement attached)		<u>282,740</u>	<u>118,569</u>	<u>143,879</u>	<u>318,119</u>	<u>863,307</u>
----- (Number of units) -----						
Number of units in issue		<u>4,583,711</u>	<u>2,004,577</u>	<u>2,374,185</u>	<u>6,365,222</u>	
----- (Rupees) -----						
Net asset value per unit		<u>61.6837</u>	<u>59.1490</u>	<u>60.6014</u>	<u>49.9777</u>	

The annexed notes 1 to 15 form an integral part of these 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 QUARTER ENDED SEPTEMBER 30, 2020**

September 30, 2020					
	Aggressive	Moderate	Conservative	MAAP-I	Total
Note	(Rupees in '000)				
Income					
Net realised gain on sale of investments	3,731	1,162	1,125	4,100	10,118
Profit on saving accounts with banks	26	47	25	3	101
	<u>3,757</u>	<u>1,209</u>	<u>1,150</u>	<u>4,103</u>	<u>10,219</u>
Net unrealised appreciation on re-measurement of investments at 'fair value through profit or loss'	6.1	35,588	10,840	7,560	37,290
Total Income	<u>39,345</u>	<u>12,049</u>	<u>8,710</u>	<u>41,393</u>	<u>101,497</u>
Expenses					
Remuneration to AI Meezan Investment Management Limited - Management Company	7	12	13	9	2
Sindh Sales Tax on management fee	1	2	1	-	4
Allocated expenses	79	34	38	89	240
Remuneration to Central Depository Company of Pakistan Limited - Trustee	55	24	27	61	167
Sindh Sales Tax on trustee fee	7	3	3	8	21
Annual fee to Securities and Exchange Commission of Pakistan	16	7	8	18	49
Auditors' remuneration	55	24	28	64	171
Fees and subscription	31	13	15	35	94
Provision for Sindh Workers' Welfare Fund	782	238	172	822	2,014
Total expenses	<u>1,038</u>	<u>358</u>	<u>301</u>	<u>1,099</u>	<u>2,796</u>
Net Income for the quarter before taxation	<u>38,307</u>	<u>11,691</u>	<u>8,409</u>	<u>40,294</u>	<u>98,701</u>
Taxation	12	-	-	-	-
Net Income for the quarter after taxation	<u>38,307</u>	<u>11,691</u>	<u>8,409</u>	<u>40,294</u>	<u>98,701</u>
Allocation of net income for the quarter					
Net Income for the quarter after taxation	38,307	11,691	8,409	40,294	98,701
Income already paid on units redeemed	(2,998)	(477)	(540)	(835)	(4,850)
	<u>35,309</u>	<u>11,214</u>	<u>7,869</u>	<u>39,459</u>	<u>93,851</u>
Accounting income available for distribution					
- Relating to capital gains	35,309	11,214	7,869	39,459	93,851
- Excluding capital gains	-	-	-	-	-
	<u>35,309</u>	<u>11,214</u>	<u>7,869</u>	<u>39,459</u>	<u>93,851</u>

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

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

Chief Executive

Chief Financial Officer

Director

MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

September 30, 2019					
	Aggressive	Moderate	Conservative	MAAP-I	Total
Note (Rupees in '000)					
Income					
Net realised gain / (loss) on sale of investments	91	(320)	267	(14,811)	(14,773)
Profit on saving accounts with banks	92	80	84	212	468
	183	(240)	351	(14,599)	(14,305)
Net unrealised (diminution) / appreciation on re-measurement of investments at 'fair value through profit or loss'	6.1 (15,144)	(2,928)	301	(14,112)	(31,883)
Total (loss) / income	(14,961)	(3,168)	652	(28,711)	(46,188)
Expenses					
Remuneration to AI Meezan Investment Management Limited - Management Company	7 12	10	9	22	53
Sindh Sales Tax on management fee	2	1	1	3	7
Allocated expenses	85	38	49	128	300
Remuneration to Central Depository Company of Pakistan Limited - Trustee	59	27	34	90	210
Sindh Sales Tax on trustee fee	8	3	4	12	27
Annual fee to Securities and Exchange Commission of Pakistan	17	8	10	26	61
Auditors' remuneration	46	20	26	69	161
Fees and subscription	26	13	16	40	95
Bank and settlement charges	1	-	-	-	1
Provision for Sindh Workers' Welfare Fund	-	-	10	-	10
Total expenses	256	120	159	390	925
Net (loss) / Income for the quarter before taxation	(15,217)	(3,288)	493	(29,101)	(47,113)
Taxation	12 -	-	-	-	-
Net (loss) / Income for the quarter after taxation	(15,217)	(3,288)	493	(29,101)	(47,113)
Allocation of net income for the quarter					
Net Income for the quarter after taxation	-	-	493	-	493
Income already paid on units redeemed	-	-	(437)	-	(437)
	-	-	56	-	56
Accounting income available for distribution					
- Relating to capital gains	-	-	56	-	56
- Excluding capital gains	-	-	-	-	-
	-	-	56	-	56

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

September 30, 2020					
Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)					
Net Income for the quarter after taxation	38,307	11,691	8,409	40,294	98,701
Other comprehensive income for the quarter	-	-	-	-	-
Total comprehensive Income for the quarter	38,307	11,691	8,409	40,294	98,701

September 30, 2019					
Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)					
Net (loss) / income for the quarter after taxation	(15,217)	(3,288)	493	(29,101)	(47,113)
Other comprehensive income for the quarter	-	-	-	-	-
Total comprehensive (loss) / income for the quarter	(15,217)	(3,288)	493	(29,101)	(47,113)

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020			September 30, 2020			September 30, 2020			September 30, 2020			September 30, 2020		
	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 / loss	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 quarter	251,746	30,994	282,740	70,980	47,589	118,569	86,818	57,061	143,879	257,512	60,607	318,119	667,056	196,251	863,307
Issuance of units:															
Aggressive: 449,649 units / Moderate: 373,952 units /															
Conservative: 319,017 units															
- Capital value (at net asset value per unit at the beginning of the quarter)	27,737	-	27,737	22,119	-	22,119	19,332	-	19,332	-	-	-	69,188	-	69,188
- Element of Income	2,582	-	2,582	2,096	-	2,096	795	-	795	-	-	-	5,473	-	5,473
Total proceeds on issuance of units	30,319	-	30,319	24,215	-	24,215	20,127	-	20,127	-	-	-	74,661	-	74,660
Redemption of units:															
Aggressive: 588,350 units / Moderate: 215,137 units /															
Conservative: 376,626 units / MAAP I: 160,158 units /															
- Capital value (at net asset value per unit at the beginning of the quarter)	36,292	-	36,292	12,725	-	12,725	22,824	-	22,824	8,004	-	8,004	79,845	-	79,845
- Element of income	1,065	2,998	4,063	707	477	1,184	482	540	1,022	-	835	835	2,254	4,850	7,104
Total payments on redemption of units	37,357	2,998	40,355	13,432	477	13,909	23,306	540	23,846	8,004	835	8,839	82,099	4,850	86,949
Total comprehensive Income for the quarter	-	38,307	38,307	-	11,691	11,691	-	8,409	8,409	-	40,294	40,294	-	98,701	98,701
Distribution during the quarter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the quarter less distribution	-	38,307	38,307	-	11,691	11,691	-	8,409	8,409	-	40,294	40,294	-	98,701	98,701
Net assets at the end of the quarter	244,708	66,303	311,010	81,763	58,803	140,566	83,639	64,930	148,569	249,508	100,066	349,574	659,618	290,102	949,719
Undistributed income brought forward															
- Realised income		42,079			50,810			59,029			55,354			207,272	
- Unrealised (loss) / income		(11,085)			(3,221)			(1,968)			5,253			(11,021)	
		30,994			47,589			57,061			60,607			196,251	
Accounting income available for distribution															
- Relating to capital gains		35,309			11,214			7,869			39,459			93,851	
- Excluding capital gains		-			-			-			-			-	
		35,309			11,214			7,869			39,459			93,851	
Net Income for the quarter after taxation		38,307			11,691			8,409			40,294			98,701	
Distribution during the quarter		-			-			-			-			-	
Undistributed income carried forward		66,303			58,803			64,930			100,066			290,102	
Undistributed income carried forward															
- Realised income		30,715			47,963			57,370			62,776			198,824	
- Unrealised income		35,588			10,840			7,560			37,290			91,278	
		66,303			58,803			64,930			100,066			290,102	
	Rupees			Rupees			Rupees		Rupees						
Net asset value per unit as at the beginning of the quarter		61.6837			59.1490			60.6014			49.9777			56.3369	
Net asset value per unit as at the end of the quarter		69.9684			64.9747			64.1331			56.3369			56.3369	

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2019			September 30, 2019			September 30, 2019			September 30, 2019			September 30, 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 beginning of the quarter	347,237	17,835	365,072	166,989	36,050	203,039	178,157	43,621	221,778	537,356	55,354	592,710	1,229,740	152,860	1,382,599
Issuance of units:															
Aggressive: 185,305 units / Moderate: 94,709 units / Conservative: 178,814 units															
- Capital value (at net asset value per unit at the beginning of the quarter)	10,783	-	10,783	5,112	-	5,112	9,763	-	9,763	-	-	-	25,658	-	25,658
- Element of (loss) / Income	(695)	-	(695)	(116)	-	(116)	(89)	-	(89)	-	-	-	(900)	-	(900)
Total proceeds on issuance of units	10,088	-	10,088	4,996	-	4,996	9,674	-	9,674	-	-	-	24,758	-	24,758
Redemption of units:															
Aggressive: 345,525 units / Moderate: 1,246,526 units / Conservative: 894,013 units / MAAP I: 1,751,804 units															
- Capital value (at net asset value per unit at the beginning of the quarter)	20,107	-	20,107	67,276	-	67,276	48,813	-	48,813	83,639	-	83,639	219,835	-	219,835
- Element of income	(1,222)	-	(1,222)	(955)	-	(955)	(918)	437	(481)	(4,819)	-	(4,819)	(7,913)	437	(7,476)
Total payments on redemption of units	18,885	-	18,885	66,321	-	66,321	47,895	437	48,332	78,820	-	78,820	211,922	-	212,359
Total comprehensive income for the quarter	-	(15,217)	(15,217)	-	(3,288)	(3,288)	-	493	493	-	(29,101)	(29,101)	-	(47,113)	(47,113)
Distribution during the quarter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net loss for the quarter less distribution	-	(15,217)	(15,217)	-	(3,288)	(3,288)	-	493	493	-	(29,101)	(29,101)	-	(47,113)	(47,113)
Net assets at end of the quarter	338,440	2,618	341,058	105,664	32,762	138,426	139,936	43,677	183,613	458,536	26,253	484,789	1,042,576	105,747	1,147,886
Undistributed income brought forward															
- Realised income		101,711			67,539			62,595			196,400			428,245	
- Unrealised (loss) / income		(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		-			-			56			-			56	
- Excluding capital gains		-			-			-			-			-	
Net loss for the quarter after taxation		(15,217)			(3,288)			-			(29,101)			(47,606)	
Distribution during the quarter		-			-			-			-			-	
Undistributed income carried forward		<u>2,618</u>			<u>32,762</u>			<u>43,677</u>			<u>26,253</u>			<u>105,310</u>	
Undistributed income / (loss) carried forward															
- Realised income		17,762			35,690			43,376			40,365			137,193	
- Unrealised (loss) / income		(15,144)			(2,928)			301			(14,112)			(31,883)	
		<u>2,618</u>			<u>32,762</u>			<u>43,677</u>			<u>26,253</u>			<u>105,310</u>	
		Rupees			Rupees			Rupees			Rupees			Rupees	
Net asset value per unit as at beginning of the quarter		<u>58.1924</u>			<u>53.9707</u>			<u>54.6004</u>			<u>47.7447</u>			<u>45.4673</u>	
Net asset value per unit as at end of the quarter		<u>55.7894</u>			<u>53.0326</u>			<u>54.8648</u>			<u>45.4673</u>			<u>45.4673</u>	

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

September 30, 2020					
Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)					
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the quarter before taxation	38,307	11,691	8,409	40,294	98,701
Adjustments for					
Net unrealised (appreciation) on re-measurement of investments 'at fair value through profit or loss'	<u>(35,588)</u>	<u>(10,840)</u>	<u>(7,560)</u>	<u>(37,290)</u>	<u>(91,278)</u>
	2,719	851	849	3,004	7,423
Decrease / (increase) in assets					
Investments - net	11,769	(14,963)	1,875	5,531	4,212
Receivable against sale of investments	(2,940)	(1,578)	(4,420)	(470)	(9,408)
Profit receivable on saving accounts with banks	4	(16)	5	11	4
	8,833	(16,557)	(2,540)	5,072	(5,192)
Increase / (decrease) in liabilities					
Payable to AI Meezan Investment Management Limited - Management Company	8	5	(1)	3	15
Payable to Central Depository Company of Pakistan Limited - Trustee	3	2	-	3	8
Payable to Meezan Bank Limited Commission of Pakistan	3	22	(2)	-	23
	(45)	(21)	(26)	(56)	(148)
Payable against purchase of investments	2,940	1,578	1,420	-	5,938
Accrued expenses and other liabilities	389	107	306	441	1,244
	3,298	1,693	1,697	391	7,080
Net cash generated from / (used in) operating activities	14,850	(14,013)	6	8,467	9,311
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts against issuance and conversion of units	30,138	24,143	20,099	-	74,380
Payments against redemption and conversion of units	(43,406)	(8,552)	(26,789)	(8,369)	(87,116)
Dividend Paid	(40)	(112)	-	(1,184)	(1,336)
Net cash (used in) / generated from financing activities	(13,308)	15,479	(6,690)	(9,553)	(14,072)
Net increase / (decrease) in cash and cash equivalents during the quarter	1,542	1,466	(6,684)	(1,086)	(4,762)
Cash and cash equivalents at the beginning of the quarter	1,858	2,265	7,687	1,318	13,128
Cash and cash equivalents at the end of the quarter	<u>3,400</u>	<u>3,731</u>	<u>1,003</u>	<u>232</u>	<u>8,366</u>

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
 CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
 FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

		September 30, 2019				
		Aggressive	Moderate	Conservative	MAAP-I	Total
Note		(Rupees in '000)				
CASH FLOWS FROM OPERATING ACTIVITIES						
	Net (loss) / Income for the quarter before taxation	(15,217)	(3,288)	493	(29,101)	(47,113)
Adjustments for						
	Net unrealised diminution / (appreciation) on re-measurement of investments 'at fair value through profit or loss'	6 15,144	2,928	(301)	14,112	31,883
		(73)	(360)	192	(14,989)	(15,230)
(Increase) / decrease in assets						
	Investments - net	5,909	58,320	36,733	117,001	217,963
	Receivable against investments - net	(6,019)	(3,657)	(3,643)	(6,370)	(19,689)
	Profit receivable on saving accounts with banks	(5)	(4)	(7)	(142)	(158)
		(115)	54,659	33,083	110,489	198,116
(Decrease) / Increase in liabilities						
	Payable to Al Meezan Investment Management Limited - Management Company	(16)	(12)	(2)	8	(22)
	Payable to Central Depository Company of Pakistan Limited - Trustee	(12)	(9)	(7)	(22)	(50)
	Payable to Meezan Bank Limited	-	-	1	-	1
	Payable to Securities and Exchange Commission of Pakistan	(424)	(224)	(227)	(675)	(1,550)
	Payable against purchase of investments (net)	6,019	3,657	3,643	5,001	18,320
	Accrued expenses and other liabilities	39	20	24	40	123
		5,606	3,432	3,432	4,352	16,822
	Net cash generated from operating activities	5,418	57,731	36,707	99,852	199,708
CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts against issuance and conversion of units	10,093	4,996	9,673	-	24,762
	Payments against redemption and conversion of units	(18,867)	(64,293)	(48,417)	(77,338)	(208,915)
	Net cash used in financing activities	(8,774)	(59,297)	(38,744)	(77,338)	(184,153)
	Net (decrease) / increase in cash and cash equivalents during the quarter	(3,356)	(1,566)	(2,037)	22,514	15,555
	Cash and cash equivalents at beginning of the quarter	5,765	4,366	4,861	725	15,717
	Cash and cash equivalents at end of the quarter	5 2,409	2,800	2,824	23,239	31,272

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

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

 Chief Executive

 Chief Financial Officer

 Director

MEEZAN FINANCIAL PLANNING FUND OF FUNDS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

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 Central Depository Company of Pakistan Limited 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 dated December 31, 2019 (2019: AM1 dated December 28, 2018) and by PACRA dated June 26, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.6** The Fund is an open-end Shariah compliant Fund of Funds Scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and Meezan Asset Allocation Plan - I by investing in Shariah compliant income, money market and equity mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans. The management may also invest in other Collective Investments Schemes available to it with prior approval of 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). 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020.
- 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, 2020. 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, 2020.
- 4.3 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, 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 September 30, 2020					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
----- (Rupees in '000) -----					
Saving accounts	2,973	3,721	993	222	7,909
Current accounts	427	10	10	10	457
	<u>3,400</u>	<u>3,731</u>	<u>1,003</u>	<u>232</u>	<u>8,366</u>

----- (Audited) -----					
As at June 30, 2020					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
----- (Rupees in '000) -----					
Saving accounts	1,431	2,255	7,677	1,308	12,671
Current accounts	427	10	10	10	457
	<u>1,858</u>	<u>2,265</u>	<u>7,687</u>	<u>1,318</u>	<u>13,128</u>

5.1 The balance in savings accounts have an expected profit ranging from 2.31% to 6.25% (June 30, 2020: 1.50% to 7.25%) per annum.

6 INVESTMENTS

----- (Unaudited) -----					
As at September 30, 2020					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
----- (Rupees in '000) -----					
Investments - 'at fair value through profit or loss'	313,028	146,419	149,217	361,229	969,893

----- (Audited) -----					
As at June 30, 2020					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
----- (Rupees in '000) -----					
Investments - 'at fair value through profit or loss'	289,209	120,616	143,532	329,470	882,827

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

Name of investee funds	As at July 1, 2020	Purchases during the quarter	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised (diminution)/appreciation as at September 30, 2020	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) -----	
Aggressive Allocation Plan									
Meezan Islamic Fund	4,834,002	60,968	618,408	4,276,562	200,522	234,771	34,249	75.49	75.00
Meezan Islamic Income Fund	1,226,417	361,765	96,124	1,492,057	76,918	78,257	1,339	25.16	25.00
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
					<u>277,440</u>	<u>313,028</u>	<u>35,588</u>	<u>100.65</u>	<u>100.00</u>
Moderate Allocation Plan									
Meezan Islamic Fund	1,412,939	145,099	224,460	1,333,577	63,561	73,209	9,648	52.08	50.00
Meezan Islamic Income Fund	1,059,598	357,476	21,253	1,395,822	72,019	73,210	1,191	52.08	50.00
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
					<u>135,580</u>	<u>146,419</u>	<u>10,839</u>	<u>104.16</u>	<u>100.00</u>

Name of investee funds	As at July 1, 2020	Purchases during the quarter	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised (diminution)/appreciation as at September 30, 2020	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)	
Conservative Allocation Plan									
Meezan Islamic Fund	880,333	-	200,803	679,530	31,782	37,304	5,522	25.11	25.00
Meezan Islamic Income Fund	1,988,863	187,779	42,899	2,133,743	109,875	111,913	2,038	75.33	75.00
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
					141,657	149,217	7,560	100.44	100.00
Meezan Asset Allocation Plan I									
Al Meezan Mutual Fund	3,382,999	-	-	3,382,999	45,055	52,335	7,280	14.97	14.49
Meezan Islamic Fund	1,984,594	111,351	426,509	1,669,436	78,830	91,647	12,818	26.22	25.37
Meezan Islamic Income Fund	1,740,037	394,975	2,135,013	-	-	-	-	-	-
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
Meezan Sovereign Fund	-	1,925,349	71,245	1,854,105	98,014	98,251	237	28.11	27.20
Meezan Dedicated Equity Fund	2,948,758	-	-	2,948,758	102,040	118,995	16,955	34.04	32.94
					323,939	361,229	37,290	103.34	100.00
Total investments in units of mutual funds									
Al Meezan Mutual Fund	3,382,999	-	-	3,382,999	45,055	52,335	7,280	5.51	5.40
Meezan Islamic Fund	9,111,868	317,417	1,470,180	7,959,105	374,695	436,932	62,237	46.01	45.05
Meezan Islamic Income Fund	6,014,915	1,301,996	2,295,289	5,021,622	258,812	263,380	4,568	27.73	27.16
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
Meezan Sovereign Fund	-	1,925,349	71,245	1,854,105	98,014	98,251	237	10.35	10.13
Meezan Dedicated Equity Fund	2,948,758	-	-	2,948,758	102,040	118,995	16,955	12.53	12.26
					878,616	969,893	91,277	102.13	100.00

7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

(Unaudited)

As at September 30, 2020

Note	Aggressive	Moderate	Conservative	MAAP-I	Total
(Rupees in '000)					
Management fee payable	3	6	2	1	12
Sindh Sales Tax on remuneration of Management Company	1	1	1	-	3
Sales Load Payable	12	-	-	-	12
Sindh Sales Tax on Sales Load	2	-	-	-	2
Allocated expenses payable	13	12	27	29	81
	31	19	30	30	110

(Audited)

As at June 30, 2020

Note	Aggressive	Moderate	Conservative	MAAP-I	Total
(Rupees in '000)					
Management fee payable	3	1	4	1	9
Sindh Sales Tax on remuneration of Management Company	1	-	1	-	2
Sales Load Payable	9	2	-	-	11
Sindh Sales Tax on Sales Load	1	1	-	-	2
Allocated expenses payable	9	10	26	26	71
	23	14	31	27	95

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2020: 1%) per annum of the daily bank balance of the Fund during the year ended June 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

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

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

9 ACCRUED EXPENSES AND OTHER LIABILITIES

----- (Unaudited) -----					
As at September 30, 2020					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
(Rupees in '000)					
Withholding tax payable	131	485	222	409	1,247
Provision for Sindh Workers' Welfare Fund	4,483	2,415	1,750	7,875	16,523
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	28	11	11	30	80
Auditors' remuneration payable	41	18	20	45	124
Printing charges payable	92	63	51	158	364
	<u>5,215</u>	<u>3,529</u>	<u>2,618</u>	<u>11,828</u>	<u>23,190</u>

----- (Audited) -----					
As at June 30, 2020					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
(Rupees in '000)					
Withholding tax payable	310	505	-	359	1,174
Capital Gain Tax Payable	115	69	35	318	537
Provision for Sindh Workers' Welfare Fund	3,701	2,176	1,579	7,052	14,508
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	50	21	24	53	148
Auditors' remuneration payable	117	51	63	135	366
Printing charges payable	93	63	47	159	362
	<u>4,826</u>	<u>3,422</u>	<u>2,312</u>	<u>11,387</u>	<u>21,947</u>

9.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision for SWWF not been made, the net asset value per unit as at September 30, 2020 would have been higher by Re 1.01, 1.12, 0.76 and 1.27 for Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP-I (June 30, 2020 by 0.81, 0.47, 0.34 and 1.54 for Aggressive Allocation Plan, Moderate Allocation Plan, Conservative

9.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision not been made, the Net Asset Value of the Fund as at September 30, 2020 would have been higher by Re. 0.10, Re 0.25, Re. 0.24 and Re. 0.53 per unit in Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP- I (June 30, 2020: Re 0.10, Re 0.27, Re 0.24, Re 0.52 per unit) respectively.

10 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:

(Unaudited)					
September 30, 2020					
Aggressive	Moderate	Conservative	MAAP-I	Total	
Balances					
Al Meezan Investment Management Limited - Management Company					
Remuneration Payable (Rs in '000)	3	6	2	1	12
Sindh Sales Tax on management fee payable (Rs in '000)	1	1	1	-	3
Sales load payable (Rs in '000)	12	-	-	-	12
Sindh Sales Tax on sales load payable (Rs in '000)	2	-	-	-	2
Allocated expenses payable (Rs in '000)	13	12	27	29	81
Investment (Rs in '000)	-	-	7,600	-	7,600
Investment (Units)	-	-	125,407	-	125,407
Meezan Bank Limited					
Bank balance (Rs in '000)	3,151	3,502	799	114	7,566
Profit receivable (Rs in '000)	7	23	6	5	41
Sales load payable (Rs in '000)	6	23	-	-	29
Sindh Sales Tax on sales load payable (Rs in '000)	-	3	-	-	3
Central Depository Company of Pakistan Limited - Trustee					
Trustee Fee payable (Rs in '000)	21	7	16	11	55
Sindh Sales Tax on trustee fee payable (Rs in '000)	4	2	2	1	9
Directors and Executives of the Management Company					
Investment (Rs in '000)	-	-	-	-	-
Investment (Units)	-	-	-	-	-
Meezan Islamic Fund					
Investment (Rs in '000)	234,771	73,209	37,304	91,647	436,932
Investment (Units)	4,276,562	1,333,577	679,530	1,669,436	7,959,105
Meezan Sovereign Fund					
Investment (Rs in '000)	-	-	-	98,251	98,251
Investment (Units)	-	-	-	1,854,105	1,854,105
Al Meezan Mutual Fund					
Investment (Rs in '000)	-	-	-	52,335	52,335
Investment (Units)	-	-	-	3,382,999	3,382,999
Meezan Cash Fund					
Investment (Rs in '000)	-	-	-	-	-
Investment (Units)	-	-	-	-	-
Meezan Islamic Income Fund					
Investment (Rs in '000)	78,257	73,210	111,913	-	263,380
Investment (Units)	1,492,057	1,395,822	2,133,743	-	5,021,622
Meezan Dedicated Equity Fund					
Investment (Rs in '000)	-	-	-	118,995	118,995
Investment (Units)	-	-	-	2,948,758	2,948,758
Unit Holders holding 10% or more units of the Fund					
Investment (Rs in '000)	176,729	18,010	56,031	182,389	433,159
Investment (Units)	2,525,840	277,189	873,669	3,237,467	6,914,165

(Audited)					
As at June 30, 2020					
	Aggressive	Moderate	Conservative	MAAP-I	Total
Al Meezan Investment Management Limited - Management Company					
Remuneration Payable (Rs in '000)	3	1	4	1	9
Sindh Sales Tax on management fee payable (Rs in '000)	1	-	1	-	2
Sales load payable (Rs in '000)	9	2	-	-	11
Sindh Sales Tax on sales load payable (Rs in '000)	1	1	-	-	2
Allocated expenses payable (Rs in '000)	9	10	26	26	71
Investment (Rs in '000)	-	-	7,600	-	7,600
Investment (Units)	-	-	125,407	-	125,407
Meezan Bank Limited					
Bank balance (Rs in '000)	1,611	2,037	7,484	1,201	12,333
Profit receivable (Rs in '000)	10	7	11	15	43
Sales load payable (Rs in '000)	3	1	2	-	6
Central Depository Company of Pakistan Limited - Trustee					
Trustee Fee payable (Rs in '000)	19	6	16	8	49
Sindh Sales Tax on trustee fee payable (Rs in '000)	3	1	2	1	7
Directors and Executives of the Management Company					
Investment (Rs in '000)	1,194,752	6,211	31,876	-	1,232,839
Investment (Units)	19,369	105	526	-	20,000
Meezan Islamic Fund					
Investment (Rs in '000)	226,091	66,084	41,174	92,821	426,170
Investment (Units)	4,834,002	1,412,939	880,333	1,984,594	9,111,868
Meezan Sovereign Fund					
Investment (Rs in '000)	-	-	-	-	-
Investment (Units)	-	-	-	-	-
Al Meezan Mutual Fund					
Investment (Rs in '000)	-	-	-	45,057	45,057
Investment (Units)	-	-	-	3,382,999	3,382,999
Meezan Cash Fund					
Investment (Rs in '000)	-	-	-	-	-
Investment (Units)	-	-	-	-	-
Meezan Islamic Income Fund					
Investment (Rs in '000)	63,118	54,532	102,358	89,552	309,560
Investment (Units)	1,226,417	1,059,598	1,988,863	1,740,037	6,014,915
Meezan Dedicated Equity Fund					
Investment (Rs in '000)	-	-	-	102,040	102,040
Investment (Units)	-	-	-	2,948,758	2,948,758
Unit Holders holding 10% or more units of the Fund					
Investment (Rs in '000)	156,621	12,713	52,946	161,801	384,081
Investment (Units)	2,539,103	214,928	873,679	3,237,467	6,865,177

(Unaudited)					
For the quarter ended September 30, 2020					
Aggressive	Moderate	Conservative	MAAP-I	Total	
Transactions during the period					
Al Meezan Investment Management Limited - Management Company					
Remuneration for the period (Rs in '000)	12	13	9	2	36
Sindh Sales Tax on management fee (Rs in '000)	1	2	1	-	4
Allocated expense (Rs in '000)	79	34	38	89	240
Meezan Bank Limited					
Profit on saving account (Rs in '000)	25	46	24	3	98
Central Depository Company of Pakistan Limited - Trustee					
Trustee fee for the period (Rs in '000)	55	24	27	61	167
Sindh Sales Tax on trustee fee (Rs in '000)	7	3	3	8	21
Directors and Executives of the Management Company					
Amount invested during the quarter (Rs in '000)	13,050	81	14,557	-	27,688
Units issued during the quarter	195,386	1,248	229,701	-	426,334
Amount redeemed during the quarter (Rs in '000)	14,562	89	9,483	-	24,134
Units redeemed during the quarter	212,720	1,351	150,092	-	364,162
Meezan Islamic Fund					
Amount invested during the quarter (Rs in '000)	3,375	8,000	-	6,000	17,375
Units issued during the quarter	60,968	145,099	-	111,351	317,417
Amount redeemed during the quarter (Rs in '000)	99,713	11,680	10,475	22,500	144,368
Units redeemed during the quarter	32,625	224,460	200,803	426,509	884,397
Meezan Sovereign Fund					
Amount invested during the quarter (Rs in '000)	-	-	-	101,780	101,780
Units issued during the quarter	-	-	-	1,925,349	1,925,349
Amount redeemed during the quarter (Rs in '000)	-	-	-	3,770	3,770
Units redeemed during the quarter	-	-	-	71,245	71,245
Meezan Cash Fund					
Amount invested during the quarter (Rs in '000)	-	-	-	-	-
Units issued during the quarter	-	-	-	-	-
Amount redeemed during the quarter (Rs in '000)	-	-	-	-	-
Units redeemed during the quarter	-	-	-	-	-
Al Meezan Mutual Fund					
Amount invested during the quarter (Rs in '000)	-	-	-	-	-
Units issued during the quarter	-	-	-	-	-
Amount redeemed during the quarter (Rs in '000)	-	-	-	-	-
Units redeemed during the quarter	-	-	-	-	-
Meezan Islamic Income Fund					
Amount invested during the quarter (Rs in '000)	18,750	18,580	9,725	20,500	67,555
Units issued during the quarter	361,765	357,476	187,779	394,975	1,301,996
Amount redeemed during the quarter (Rs in '000)	5,000	1,100	2,250	111,640	119,990
Units redeemed during the quarter	96,124	21,253	42,899	2,135,013	2,295,289
Meezan Dedicated Equity Fund					
Amount invested during the quarter (Rs in '000)	-	-	-	-	-
Units issued during the quarter	-	-	-	-	-
Amount redeemed during the quarter (Rs in '000)	-	-	-	-	-
Units redeemed during the quarter	-	-	-	-	-

(Unaudited)					
For the quarter ended September 30, 2019					
Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)					
Al Meezan Investment Management Limited - Management Company					
Remuneration for the quarter (Rs in '000)	12	10	9	22	53
Sindh Sales Tax on management fee (Rs in '000)	2	1	1	3	7
Allocated expense (Rs in '000)	85	38	49	128	300
Meezan Bank Limited					
Profit on saving account (Rs in '000)	87	77	80	210	454
Central Depository Company of Pakistan Limited - Trustee					
Trustee fee for the quarter (Rs in '000)	59	27	34	90	210
Sindh Sales Tax on trustee fee (Rs in '000)	8	3	4	12	27
Directors and Executives of the Management Company					
Amount invested during the quarter (Rs in '000)	3,825	-	3,964	-	7,789
Units issued during the quarter	70,170	-	72,575	-	142,745
Amount redeemed during the quarter (Rs in '000)	3,875	-	4,975	-	8,850
Units redeemed during the quarter	70,308	-	91,357	-	161,664
Meezan Islamic Fund					
Amount invested during the quarter (Rs in '000)	6,019	3,657	3,643	-	13,319
Units issued during the quarter	134,129	81,501	81,177	-	296,807
Amount redeemed during the quarter (Rs in '000)	4,500	29,000	9,250	6,700	49,450
Units redeemed during the quarter	105,746	626,124	211,043	143,778	1,086,691
Meezan Sovereign Fund					
Amount invested during the quarter (Rs in '000)	-	-	-	70,000	70,000
Units issued during the quarter	-	-	-	1,325,639	1,325,639
Amount redeemed during the quarter (Rs in '000)	-	-	-	195,230	195,230
Units redeemed during the quarter	-	-	-	3,786,254	3,786,254
Meezan Cash Fund					
Amount invested during the quarter (Rs in '000)	-	-	-	196,312	196,312
Units issued during the quarter	-	-	-	3,820,833	3,820,833
Amount redeemed during the quarter (Rs in '000)	45,839	50,914	83,034	6,670	186,457
Units redeemed during the quarter	898,802	999,999	1,628,812	129,566	3,657,179
Meezan Islamic Income Fund					
Amount invested during the quarter (Rs in '000)	45,464	38,414	72,159	194,650	350,687
Units issued during the quarter	874,263	738,688	1,387,610	3,782,009	6,782,570
Amount redeemed during the quarter (Rs in '000)	7,144	20,157	20,518	197,912	245,731
Units redeemed during the quarter	135,350	387,315	393,444	3,782,009	4,698,118
Meezan Dedicated Equity Fund					
Amount invested during the quarter (Rs in '000)	-	-	-	-	-
Units issued during the quarter	-	-	-	-	-
Amount redeemed during the quarter (Rs in '000)	-	-	-	156,640	156,640
Units redeemed during the quarter	-	-	-	4,922,611	4,922,611

11 TOTAL EXPENSE RATIO

	As at September 30, 2020			
	Aggressive	Moderate	Conservative	MAAP I
Total Expense Ratio (TER)	0.58%	0.53%	0.45%	0.55%
Government levy, Sindh Workers' Welfare Fund and SECP fee	0.28%	0.21%	0.15%	0.27%
	As at June 30, 2020			
	Aggressive	Moderate	Conservative	MAAP I
Total Expense Ratio (TER)	0.41%	0.51%	0.54%	0.37%
Government levy and SECP fee	0.13%	0.22%	0.25%	0.08%

12 TAXATION

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

13 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

13.1 Fair value hierarchy

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

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

As at September 30, 2020 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

----- (Unaudited) -----				
As at September 30, 2020				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----				
ASSETS				
Financial assets 'at fair value through profit or loss'				
Units of mutual fund	-	969,893	-	969,893
----- (Audited) -----				
As at June 30, 2020				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----				
ASSETS				
Financial assets 'at fair value through profit or loss'				
Units of mutual fund	-	882,827	-	882,827

14 GENERAL

Figures have been rounded off to the nearest thousand rupees.

15 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



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.

LARGEST INDUSTRY BRANCH NETWORK
27 BRANCHES
IN 13 MAJOR CITIES



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

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

**MEEZAN STRATEGIC ALLOCATION FUND
 CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
 AS AT SEPTEMBER 30, 2020**

		September 30, 2020 (Unaudited)						
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
----- (Rupees in '000) -----								
Assets								
Balances with banks	5	2,267	422	134	68	1,883	1,160	5,934
Investments	6	842,269	441,625	539,406	326,824	115,487	394,981	2,660,592
Receivable against sale of investments		2,630	550	829	-	-	550	4,559
Other receivables		32	18	4	13	6	11	84
Total assets		847,198	442,615	540,373	326,905	117,376	396,702	2,671,169
Liabilities								
Payable to AI Meezan Investment Management Limited - Management Company	7	82	37	47	36	12	34	248
Payable to Central Depository Company of Pakistan Limited - Trustee		58	29	36	21	8	26	178
Payable to Securities and Exchange Commission of Pakistan		44	23	35	30	9	20	161
Payable against purchase of investments		130	-	-	52	-	-	182
Payable against redemption and conversion of units		-	601	989	100	-	569	2,259
Accrued expenses and other liabilities	9	7,891	1,882	3,109	3,755	790	1,508	18,935
Total liabilities		8,205	2,572	4,216	3,994	819	2,157	21,963
Net assets		838,993	440,043	536,157	322,911	116,557	394,545	2,649,206
Contingencies and commitments	8							
Unitholders' fund (as per statement attached)		838,993	440,043	536,157	322,911	116,557	394,545	2,649,206
----- (Number of units) -----								
Number of units in issue		20,232,466	10,646,860	13,365,831	7,912,535	2,449,199	7,554,600	
----- (Rupees) -----								
Net assets value per unit		41.4677	41.3308	40.1140	40.8101	47.5901	52.2258	

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

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

 Chief Executive

 Chief Financial Officer

 Director

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

		June 30, 2020 (Audited)						
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
(Rupees in '000)								
Assets								
Balances with banks	5	3,633	59	51	958	725	1,051	6,477
Investments	6	804,843	457,410	754,757	758,874	196,368	417,722	3,389,974
Receivable against sale of investments - net		130	-	-	-	-	490	620
Profit receivable on saving account with banks		27	12	5	9	1	56	110
Total assets		808,633	457,481	754,813	759,841	197,094	419,319	3,397,181
Liabilities								
Payable to AI Meezan Investment Management Limited - Management Company	7	67	37	63	65	22	36	290
Payable to Central Depository Company of Pakistan Limited - Trustee		52	29	49	48	12	27	217
Payable to Securities and Exchange Commission of Pakistan		179	104	161	171	46	154	815
Payable against purchase of investments - net		130	-	-	52	-	-	182
Payable against redemption and conversion of units		-	48	50	-	-	1,484	1,582
Dividend Payable		1,493	1,367	807	651	150	-	4,468
Accrued expenses and other liabilities	9	13,366	3,278	7,676	7,676	1,275	1,331	34,602
Total liabilities		15,287	4,863	8,806	8,663	1,505	3,032	42,156
NET ASSETS		793,346	452,618	746,007	751,178	195,589	416,287	3,355,025
UNIT HOLDERS' FUND (as per statement attached)		793,346	452,618	746,007	751,178	195,589	416,287	3,355,025
CONTINGENCIES AND COMMITMENTS	8	----- (Number of units) -----						
NUMBER OF UNITS IN ISSUE		21,516,084	12,302,840	20,944,130	20,694,885	4,638,354	8,186,979	
		----- (Rupees) -----						
NET ASSET VALUE PER UNIT		36.8722	36.7897	35.6189	36.2977	42.1678	50.8475	

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

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

		September 30, 2020					
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
(Rupees in '000)							
Income							
Net realised gain on sale of investments	12,351	9,101	32,737	52,864	11,598	419	119,070
Profit on saving accounts with banks	24	14	88	27	12	49	214
Dividend income	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
	12,375	9,115	32,825	52,891	11,610	468	119,284
Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss'	6.1	89,785	47,040	58,682	34,832	12,811	10,759
Total income		102,160	56,155	91,507	87,723	24,421	11,227
Expenses							
Remuneration to AI Meezan Investment Management Limited - Management Company	7.1	22	6	8	14	6	5
Sindh Sales Tax on remuneration to Management Company		3	1	1	2	1	1
Allocated expenses	7.2	218	117	173	149	43	102
Remuneration to Central Depository Company of Pakistan Limited - Trustee		152	82	121	104	30	71
Sindh Sales Tax on trustee fee		20	11	16	14	4	9
Annual fee to Securities and Exchange Commission of Pakistan		44	23	35	30	9	20
Auditors' remuneration		45	24	38	30	9	17
Fees and subscription		25	13	21	18	3	11
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	2,033	1,118	1,822	1,747	486	220
Bank and settlement charges		-	-	-	-	-	-
Total expenses		2,562	1,395	2,235	2,108	591	456
Net income for the quarter before taxation		99,598	54,760	89,272	85,615	23,830	10,771
Taxation	12	-	-	-	-	-	-
Net (loss) / income for the quarter after taxation		99,598	54,760	89,272	85,615	23,830	10,771
Allocation of net income for the quarter							
Net income for the quarter after taxation		99,598	54,760	89,272	85,615	23,830	10,771
Income already paid on units redeemed		(6,622)	(6,455)	(29,685)	(49,921)	(10,550)	(361)
		92,976	48,305	59,587	35,694	13,280	10,410
Accounting income available for distribution							
- Relating to capital gains		92,976	48,305	59,587	35,694	13,280	10,410
- Excluding capital gains		-	-	-	-	-	-
		92,976	48,305	59,587	35,694	13,280	10,410

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

Note	September 30, 2019						Total	
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPI-III		
	(Rupees in '000)							
Income								
Net realised loss on sale of investments	(22,157)	(6,224)	(604)	(2,708)	(3,953)	(1,381)	(37,027)	
Profit on saving accounts with banks	224	106	171	97	99	156	853	
Dividend income	5,604	2,697	3,981	4,258	1,176	7,064	24,780	
Other income	-	-	-	-	-	1,174	1,174	
	(16,329)	(3,421)	3,548	1,647	(2,678)	7,013	(10,220)	
Net unrealised (diminution) / appreciation on re-measurement of investments - 'at fair value through profit or loss'	(30,375)	(22,447)	(34,919)	(38,114)	(10,458)	9,005	(127,308)	
Total (loss) / income	(46,704)	(25,868)	(31,371)	(36,467)	(13,136)	16,018	(137,528)	
Expenses								
Remuneration to AI Meezan Investment Management Limited - Management Company	7.1	22	15	20	8	28	17	110
Sindh Sales Tax on management fee		3	2	3	1	4	2	15
Allocated expenses	7.2	239	140	201	218	65	260	1,123
Remuneration to Central Depository Company of Pakistan Limited - Trustee		168	98	141	153	46	182	788
Sindh Sales Tax on trustee fee		22	13	18	20	6	24	103
Annual fee to Securities and Exchange Commission of Pakistan		50	30	42	46	14	54	236
Auditors' remuneration		19	11	16	18	5	21	90
Fees and subscription		20	12	17	18	5	22	94
Provision for Sindh Workers' Welfare Fund	9.1	-	-	-	-	-	308	308
Bank and settlement charges		-	2	-	-	-	12	14
Total expenses		544	324	458	481	173	902	2,882
Net (loss) / income for the quarter before taxation		(47,248)	(26,192)	(31,829)	(36,948)	(13,309)	15,116	(140,410)
Taxation	13	-	-	-	-	-	-	-
Net (loss) / income for the quarter after taxation		(47,248)	(26,192)	(31,829)	(36,948)	(13,309)	15,116	(140,410)
Allocation of net income for the quarter								
Net income for the quarter after taxation		-	-	-	-	-	15,116	15,116
Income already paid on units redeemed		-	-	-	-	-	(7)	(7)
		-	-	-	-	-	15,109	15,109
Accounting income available for distribution								
- Relating to capital gains		-	-	-	-	-	7,624	7,624
- Excluding capital gains		-	-	-	-	-	7,485	7,485
		-	-	-	-	-	15,109	15,109

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

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

Chief Executive

Chief Financial Officer

Director



MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	
	----- (Rupees in '000) -----						
Net income for the quarter after taxation	99,598	54,760	89,272	85,615	23,830	10,771	363,846
Other comprehensive income for the quarter	-	-	-	-	-	-	-
Total comprehensive income for the quarter	99,598	54,760	89,272	85,615	23,830	10,771	363,846

	September 30, 2019						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	
	----- (Rupees in '000) -----						
Net (loss) / income for the quarter after taxation	(47,248)	(26,192)	(31,829)	(36,948)	(13,309)	15,116	(140,410)
Other comprehensive income for the quarter	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the quarter	(47,248)	(26,192)	(31,829)	(36,948)	(13,309)	15,116	(140,410)

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020			September 30, 2020			September 30, 2020			September 30, 2020		
	MSAP-I (Rupees in '000)			MSAP-II (Rupees in '000)			MSAP-III (Rupees in '000)			MSAP-IV (Rupees in '000)		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total
Net assets at beginning of the quarter	1,349,651	(556,305)	793,346	847,501	(394,883)	452,618	1,221,095	(475,088)	746,007	1,245,128	(493,950)	751,178
Redemption of units:												
MSAP - I: 1,283,618 units / MSAP - II: 1,655,980 units / MSAP - III: 7,578,299 units / MSAP - IV: 12,782,350 units / MSAP - V: 2,189,155 units, MCPPI - III: 632,379 units												
- Capital value (at net asset value per unit at the beginning of the quarter)	47,330	-	47,330	60,923	-	60,923	269,931	-	269,931	463,970	-	463,970
- Element of loss / (income)	-	6,621	6,621	(43)	6,455	6,412	(494)	29,685	29,191	(9)	49,921	49,912
Total payments on redemption of units	47,330	6,621	53,951	60,880	6,455	67,335	269,437	29,685	299,122	463,961	49,921	513,882
Total comprehensive income for the quarter	-	99,598	99,598	-	54,760	54,760	-	89,272	89,272	-	85,615	85,615
Distribution during the quarter	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the quarter less distribution	-	99,598	99,598	-	54,760	54,760	-	89,272	89,272	-	85,615	85,615
Net assets at end of the quarter	1,302,321	(463,328)	838,993	786,621	(346,578)	440,043	951,658	(415,501)	536,157	781,167	(458,256)	322,911
Undistributed (loss) / income brought forward												
- Realised (loss)		(568,973)			(382,241)			(466,242)			(483,075)	
- Unrealised loss / income		12,668			(12,642)			(8,846)			(10,875)	
		(556,305)			(394,883)			(475,088)			(493,950)	
Accounting income available for distribution												
- Relating to capital gains		92,976			48,305			59,587			35,694	
- Excluding capital gains		-			-			-			-	
		92,976			48,305			59,587			35,694	
Net income for the quarter after taxation		99,598			54,760			89,272			85,615	
Distribution during the quarter		-			-			-			-	
Undistributed (loss) / income carried forward		(463,328)			(346,578)			(415,501)			(458,256)	
Undistributed (loss) / income carried forward												
- Realised (loss) / income		(553,113)			(393,618)			(474,183)			(493,088)	
- Unrealised income		89,785			47,040			58,882			34,832	
		(463,328)			(346,578)			(415,501)			(458,256)	
		Rupees			Rupees			Rupees			Rupees	
Net asset value per unit as at beginning of the quarter		36.8722			36.7897			35.6189			36.2977	
Net asset value per unit as at end of the quarter		41.4677			41.3308			40.1140			40.8101	

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020			September 30, 2020			September 30, 2020		
	MSAP-V			MCPP-III			Total		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Capital Value	Accumulated loss	Total	Capital Value	Undistributed income	Total	Capital Value	Accumulated loss	Total	
Net assets at beginning of the quarter	271,498	(75,909)	195,589	399,642	16,645	416,287	5,334,515	(1,979,490)	3,355,025
Redemption of units:									
MSAP - I: 1,283,618 units / MSAP - II: 1,655,980 units / MSAP - III: 7,578,299 units / MSAP - IV: 12,782,350 units / MSAP - V: 2,189,155 units, MCPP - III: 632,379 units									
- Capital value (at net asset value per unit at the beginning of the quarter)	92,312	-	92,312	32,155	-	32,155	966,620	-	966,620
- Element of (loss) / income	-	10,549	10,549	(3)	361	358	102,685	103,592	103,043
Total payments on redemption of units	92,312	10,549	102,861	653,733	361	32,513	1,069,305	103,592	1,069,665
Total comprehensive income for the quarter	-	23,830	23,830	-	10,771	10,771	-	363,846	363,846
Distribution during the quarter	-	-	-	-	-	-	-	-	-
Net income for the quarter less distribution	-	23,830	23,830	-	10,771	10,771	-	363,846	363,846
Net assets at end of the quarter	179,186	(62,628)	116,557	(254,091)	27,055	394,545	4,265,210	(1,719,236)	2,649,206
Undistributed (loss) / income brought forward									
- Realised loss		(71,074)			16,497			(1,955,108)	
- Unrealised (loss) / income		(4,835)			148			(24,382)	
Accounting income available for distribution		(75,909)			16,645			(1,979,490)	
- Relating to capital gains	13,280			10,410			260,254		
- Excluding capital gains	-			-			-		
Net income for the quarter after taxation	13,280			10,410			260,254		
Distribution during the quarter	23,830			10,771			363,846		
Undistributed (loss) / income carried forward	-			-			-		
Undistributed (loss) / income carried forward	(62,628)			27,055			(1,719,235)		
Undistributed (loss) / income carried forward									
- Realised (loss) / income		(75,439)			16,296			(1,973,144)	
- Unrealised (loss)		12,811			10,759			253,909	
		(62,628)			27,055			(1,719,235)	
Net asset value per unit as at beginning of the quarter	42.1678			50.8475					
Net asset value per unit as at end of the quarter	47.5901			52.2258					

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2019			September 30, 2019			September 30, 2019			September 30, 2019		
	MSAP-I (Rupees in '000)			MSAP-II (Rupees in '000)			MSAP-III (Rupees in '000)			MSAP-IV (Rupees in '000)		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total
Net assets at beginning of the quarter	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
Redemption of units:												
MSAP - I: 3,625,678 units / MSAP - II: 5,781,661 units / MSAP - III: 2,504,515 units / MSAP - IV: 3,758,306 units / MSAP - V: 1,917,375 units, MCPP - III: 2,294,979 units												
- Capital value (at net asset value per unit at the beginning of the quarter)	132,265	-	132,265	208,169	-	208,169	87,847	-	87,847	133,998	-	133,998
- Element of (loss) / income	(10,273)	-	(10,273)	(9,541)	-	(9,541)	(4,504)	-	(4,504)	(6,225)	-	(6,225)
Total payments on redemption of units	121,992	-	121,992	198,628	-	198,628	83,343	-	83,343	127,774	-	127,774
Total comprehensive (loss) / income for the quarter	-	(47,248)	(47,248)	-	(26,192)	(26,192)	-	(31,829)	(31,829)	-	(36,948)	(36,948)
Distribution during the quarter	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the quarter less distribution	-	(47,248)	(47,248)	-	(26,192)	(26,192)	-	(31,829)	(31,829)	-	(36,948)	(36,948)
Net assets at end of the quarter	1,507,224	(608,981)	898,243	933,093	(430,115)	502,977	1,296,835	(520,876)	775,959	1,393,730	(555,678)	838,053
Undistributed (loss) / income brought forward												
- Realised (loss)		(351,036)			(328,595)			(404,214)			(427,554)	
- Unrealised loss / income		(210,697)			(75,328)			(84,833)			(91,176)	
		(561,733)			(403,923)			(489,047)			(518,730)	
Accounting income available for distribution												
- Relating to capital gains		-			-			-			-	
- Excluding capital gains		-			-			-			-	
Net (loss) / income for the quarter after taxation		(47,248)			(26,192)			(31,829)			(36,948)	
Distribution during the quarter		-			-			-			-	
Undistributed (loss) / income carried forward		(608,981)			(430,115)			(520,876)			(555,678)	
Undistributed (loss) / income carried forward												
- Realised (loss) / income		(578,606)			(407,668)			(485,957)			(517,564)	
- Unrealised (loss) / income		(30,375)			(22,447)			(34,919)			(38,114)	
		(608,981)			(430,115)			(520,876)			(555,678)	
	Rupees			Rupees			Rupees			Rupees		
Net asset value per unit as at beginning of the quarter	36.4801			36.0051			35.0753			35.6538		
Net asset value per unit as at end of the quarter	35.0378			34.8514			33.8821			34.3929		

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	September 30, 2019			September 30, 2019			September 30, 2019		
	MSAP-V			MCPP-III			Total		
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
	Capital Value	Accumulated loss	Total	Capital Value	Undistributed income	Total	Capital Value	Accumulated loss	Total
Net assets at beginning of the quarter	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: 3,625,678 units / MSAP - II: 5,781,661 units /									
MSAP - III: 2,504,515 units / MSAP - IV: 3,758,306 units / MSAP - V: 1,917,375 units,									
MCPP - III: 2,294,979 units									
- Capital value (at net asset value per unit at the beginning of the quarter)	78,208	-	78,208	117,506	-	117,506	757,995	-	757,995
- Element of (loss) / income	(4,686)	-	(4,686)	-	7	7	(35,228)	7	(35,221)
Total payments on redemption of units	73,524	-	73,523	117,506	7	117,513	722,767	7	722,775
Total comprehensive (loss) / income for the quarter	-	(13,309)	(13,309)	-	15,116	15,116	-	(140,410)	(140,410)
Distribution during the quarter	-	-	-	-	-	-	-	-	-
Net (loss) / income for the quarter less distribution	-	(13,309)	(13,309)	-	15,116	15,116	-	(140,410)	(140,410)
Net assets at end of the quarter	321,740	(92,577)	229,163	960,344	36,153	996,497	6,412,967	(2,172,074)	4,240,892
Undistributed (loss) / income brought forward									
- Realised loss		(50,077)			(7,886)			(1,569,362)	
- Unrealised (loss) / income		(29,191)			28,930			(462,295)	
		(79,268)			21,044			(2,031,657)	
Accounting income available for distribution									
- Relating to capital gains		-			7,624			7,624	
- Excluding capital gains		-			7,485			7,485	
		-			15,109			15,109	
Net (loss) / income for the quarter after taxation		(13,309)			-			(155,526)	
Distribution during the quarter		-			-			-	
Undistributed (loss) / income carried forward		(92,577)			36,153			(2,172,074)	
Undistributed (loss) / income carried forward									
- Realised (loss) / income		(82,119)			27,148			(2,044,766)	
- Unrealised (loss)		(10,458)			9,005			(127,308)	
		(92,577)			36,153			(2,172,074)	
		Rupees			Rupees				
Net asset value per unit as at beginning of the quarter		40.7893			51.2011				
Net asset value per unit as at end of the quarter		39.3097			51.9894				

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

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 QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	------(Rupees in '000)-----						
CASH FLOWS FROM OPERATING ACTIVITIES							
Net income for the quarter before taxation	99,598	54,760	89,272	85,615	23,830	10,771	363,846
Adjustments for:							
Net unrealised (appreciation) on re-measurement of investments 'at fair value through profit or loss'	(89,785)	(47,040)	(58,682)	(34,832)	(12,811)	(10,759)	(253,909)
	9,813	7,720	30,590	50,783	11,019	12	109,937
Decrease / (increase) in assets							
Investments - net	52,359	62,825	274,033	466,882	93,692	33,500	983,291
Receivable against sale of investments - net	(2,500)	(550)	(829)	-	-	(60)	(3,939)
Profit receivables on saving account with banks	(5)	(6)	1	(4)	(5)	45	26
	49,854	62,269	273,205	466,878	93,687	33,485	979,378
(Decrease) / increase in liabilities							
Payable to AI Meezan Investment Management Limited - Management Company	15	-	(16)	(29)	(10)	(2)	(42)
Payable to Central Depository Company of Pakistan Limited - Trustee	6	-	(13)	(27)	(4)	(1)	(39)
Payable to Securities and Exchange Commission of Pakistan	(135)	(81)	(126)	(141)	(37)	(134)	(654)
Payable against purchase of investments - net	(0)	-	-	0	-	-	(0)
Accrued expenses and other liabilities	(5,475)	(1,396)	(4,567)	(3,921)	(485)	177	(15,667)
	(5,589)	(1,477)	(4,722)	(4,118)	(536)	40	(16,402)
Net cash generated from operating activities	54,078	68,512	299,073	513,543	104,170	33,537	1,072,913
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts against issuance and conversion of units	-	-	-	-	-	-	-
Dividend paid	(1,493)	(1,367)	(807)	(651)	(150)	-	(4,468)
Payments against redemption and conversion of units	(53,951)	(66,782)	(298,183)	(513,782)	(102,862)	(33,428)	(1,068,987)
Net cash used in financing activities	(55,444)	(68,149)	(298,990)	(514,433)	(103,012)	(33,428)	(1,073,455)
Net (decrease) / increase in cash and cash equivalents during the quarter	(1,366)	363	83	(890)	1,158	109	(542)
Cash and cash equivalents at beginning of the quarter	3,633	59	51	958	725	1,051	6,477
Cash and cash equivalents at end of the quarter	2,267	422	134	68	1,883	1,160	5,934

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

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

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2019						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
	------(Rupees in '000)-----						
CASH FLOWS FROM OPERATING ACTIVITIES							
Net (loss) / income for the quarter before taxation	(47,248)	(26,192)	(31,829)	(36,948)	(13,309)	15,116	(140,410)
Adjustments for:							
Net unrealised diminution / (appreciation) on re-measurement of investments 'at fair value through profit or loss'	30,375	22,447	34,919	38,114	10,458	(9,005)	127,308
	(16,873)	(3,745)	3,090	1,166	(2,851)	6,111	(13,102)
Decrease / (increase) in assets							
Investments - net	129,563	199,502	68,576	132,388	65,630	115,155	710,814
Receivable against sale of investments - net	(10,320)	(1,300)	-	-	(1,090)	-	(12,710)
Profit receivables on saving account with banks	49	(5)	12	(17)	(37)	(83)	(81)
	119,292	198,197	68,588	132,371	64,503	115,072	698,023
(Decrease) / increase in liabilities							
Payable to AI Meezan Investment Management Limited - Management Company	(26)	(24)	(16)	(19)	(9)	(9)	(103)
Payable to Central Depository Company of Pakistan Limited - Trustee	(26)	(23)	(18)	(23)	(9)	(18)	(117)
Payable to Securities and Exchange Commission of Pakistan	(1,441)	(1,002)	(1,122)	(1,246)	14	54	(4,743)
Payable against purchase of investments - net	10,278	55	82	88	626	25	11,154
Accrued expenses and other liabilities	5	-	6	4	10	328	353
	8,790	(994)	(1,068)	(1,196)	632	380	6,543
Net cash generated from operating activities	111,210	193,458	70,610	132,341	62,284	121,563	691,465
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts against issuance and conversion of units	-	-	-	-	-	-	-
Payments against redemption and conversion of units	(117,970)	(197,310)	(83,343)	(129,787)	(70,372)	(120,478)	(719,260)
Net cash used in financing activities	(117,970)	(197,310)	(83,343)	(129,787)	(70,372)	(120,478)	(719,455)
Net (decrease) / increase in cash and cash equivalents during the quarter	(6,760)	(3,853)	(12,733)	2,554	(8,088)	1,085	(27,794)
Cash and cash equivalents at beginning of the quarter	11,970	4,377	13,180	335	13,450	1,148	44,460
Cash and cash equivalents at end of the quarter	5,210	524	447	2,889	5,362	2,233	16,665

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

For AI Meezan Investment Management Limited
(Management Company)

 Chief Executive

 Chief Financial Officer

 Director

**MEEZAN STRATEGIC ALLOCATION FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

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 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 Central Depository Company (CDC) as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.
- 1.5** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2019: AM1 dated December 28, 2018) and also AM1 by PACRA dated June 26, 2020 (2019: AM1 dated June 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 (MCPP-III) 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 Strategic Allocation Plan-I (MSAP-I)	Medium to high 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 was two years from the close of the subscription period (i.e. December 2, 2016). Units are subject to front end load. An early exit fee has also been charged in case of redemption before the completion of the initial maturity of the plan. 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-I/178/2018 dated November 16, 2018; and a further extension of one year was approved vide letter no. SCD/AMCW/MSAF/MSAP-I/142/2019 dated November 19, 2019.
Meezan Strategic Allocation Plan-II (MSAP-II)	Medium to high 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 was two years from the close of the subscription period (i.e. January 31, 2017). Units are subject to front end load. An early exit fee shall has also been charged in case of redemption before the completion of the initial maturity of the plan. 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-II/250/2019 dated January 14, 2019; and a further extension of one year was approved vide letter no. SCD/AMCW/MSAF/MSAP-II/206/2020 dated January 24, 2020.

Meezan Strategic Allocation Plan-III (MSAP-III)	Medium to high 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 95 percent. The initial maturity of this plan was two years from the close of the subscription period (i.e. April 3, 2017). Units are subject to front end load. An early exit fee shall has also been charged in case of redemption before the completion of the initial maturity of the plan. 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-III/337/2019 dated March 19, 2019; and a further extension of one year was approved on March 30, 2020.
Meezan Strategic Allocation Plan-IV (MSAP-IV)	Medium to high 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 95 percent. The initial maturity of this plan was two years from the close of the subscription period (i.e. June 30, 2017). Units are subject to front end load. An early exit fee has also been charged in case of redemption before the completion of the initial maturity of the plan. 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-IV/431/2019 dated May 30, 2019; and a further extension of one year was approved vide letter no. SCD/AMCW/MSAF/MSAP-IV/322/2020 dated June 16, 2020.
Meezan Strategic Allocation Plan-V (MSAP-V)	Medium to high 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 95 percent. The initial maturity of this plan was two years from the close of the subscription period (i.e. October 19, 2017). Units are subject to front end load. An early exit fee shall has also been charged in case of redemption before the completion of the initial maturity of the plan. During the year ended June 30, 2020, 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 (MCPP-III)	Medium 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 50 percent in equity schemes and up to 100 percent in money market schemes. The initial maturity of this plan was two years from the close of the subscription period (i.e February 16, 2018). Units are subject to front end load. An early exit fee has also been charged in case of redemption before the completion of the initial maturity of the plan. During the year ended June 30, 2020, the SECP approved the extension for the plan by one year vide its letter no. SCD/AMCW/MSAF/MSAP-I/205/2020 dated January 24, 2020.

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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020.
- 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, 2020. 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, 2020.
- 4.3 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 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

5. BALANCES WITH BANKS

	Note	September 30, 2020 (Unaudited)						Total
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	
----- (Rupees in '000) -----								
Saving accounts	5.1	2,256	412	124	58	1,240	515	4,605
Current accounts		11	10	10	10	643	645	1,329
		<u>2,267</u>	<u>422</u>	<u>134</u>	<u>68</u>	<u>1,883</u>	<u>1,160</u>	<u>5,934</u>
----- (Rupees in '000) -----								
June 30, 2020 (Audited)								
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
----- (Rupees in '000) -----								
Saving accounts	5.1	3,622	49	41	948	82	406	5,148
Current accounts		11	10	10	10	643	645	1,329
		<u>3,633</u>	<u>59</u>	<u>51</u>	<u>958</u>	<u>725</u>	<u>1,051</u>	<u>6,477</u>

- 5.1 The balance in saving accounts have an expected profit ranging from 2.31% to 3.40% per annum (June 30, 2020: 2.31% to 3.40% per annum).

INVESTMENTS

	Note	September 30, 2020 (Unaudited)						Total
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	
----- (Rupees in '000) -----								
Investments - 'at fair value through profit or loss'	6.1	842,269	441,625	539,406	326,824	115,487	394,981	2,660,592
----- (Rupees in '000) -----								
June 30, 2020 (Audited)								
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
----- (Rupees in '000) -----								
Investments - 'at fair value through profit or loss'		804,843	457,410	754,757	758,874	196,368	417,722	3,389,974

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

Name of investee funds	As at July 01, 2020	Purchases during the period	Redemptions during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised (loss) / gain as at September 30, 2020	Percentage in relation to	
								Net assets of the Fund on the basis of market value	Total market value of investments
				----- (Number of units) -----			----- (Rupees in '000) -----		
							----- (Percentage) -----		
Meezan Strategic Allocation Plan-I									
Al Meezan Mutual Fund	9,865,833	548,043	1,168,168	9,245,708	123,837	143,032	19,195	17.05	16.98
Kse Meezan Index Fund	4,311	-	-	4,311	230	270	40	0.03	0.03
Meezan Dedicated Equity Fund	6,022,570	-	-	6,022,570	208,407	243,036	34,629	28.97	28.85
Meezan Islamic Fund	5,317,944	212,097	1,355,893	4,174,148	197,127	229,149	32,022	27.31	27.21
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
Meezan Islamic Income Fund	4,198,624	924,876	799,651	4,323,849	222,882	226,782	3,900	27.03	26.93
Meezan Rozana Amdani Fund	-	-	-	-	-	-	-	-	-
					752,484	842,269	89,785	100.39	100.00
Meezan Strategic Allocation Plan-II									
Al Meezan Mutual Fund	12,644,000	-	1,229,749	11,414,251	152,017	176,580	24,562	40.13	39.98
Kse Meezan Index Fund	137,526	-	-	137,526	7,346	8,612	1,267	1.96	1.95
Meezan Dedicated Equity Fund	320,475	96,045	-	416,520	15,090	16,808	1,718	3.82	3.81
Meezan Islamic Fund	3,124,685	97,211	1,031,572	2,190,324	102,801	120,243	17,442	27.33	27.23
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
Meezan Islamic Income Fund	2,417,776	500,875	642,549	2,276,102	117,330	119,382	2,052	27.13	27.03
Meezan Rozana Amdani Fund	-	-	-	-	-	-	-	-	-
					394,584	441,625	47,041	100.36	100.00
Meezan Strategic Allocation Plan-III									
Al Meezan Mutual Fund	563,466	376,485	-	939,951	13,504	14,541	1,037	2.71	2.70
Kse Meezan Index Fund	374,075	-	-	374,075	19,980	23,426	3,446	4.37	4.34
Meezan Dedicated Equity Fund	2,872,358	-	-	2,872,358	99,396	115,912	16,515	21.62	21.49
Meezan Islamic Fund	9,045,807	174,979	4,840,878	4,379,909	205,259	240,445	35,185	44.85	44.58
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
Meezan Islamic Income Fund	3,979,255	838,091	2,051,186	2,766,160	142,584	145,083	2,499	27.06	26.90
Meezan Rozana Amdani Fund	-	-	-	-	-	-	-	-	-
					480,724	539,406	58,682	100.61	100.00
Meezan Strategic Allocation Plan-IV									
Al Meezan Mutual Fund	7,770,394	-	2,635,324	5,135,070	68,390	79,440	11,050	24.60	24.31
Kse Meezan Index Fund	396,682	-	-	396,682	21,188	24,842	3,654	7.69	7.60
Meezan Dedicated Equity Fund	2,690,111	-	-	2,690,111	93,090	108,557	15,468	33.62	33.22
Meezan Islamic Fund	7,145,017	208,562	6,898,544	455,035	21,846	24,980	3,134	7.74	7.64
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
Meezan Islamic Income Fund	4,020,730	866,998	3,190,751	1,696,978	87,478	89,005	1,527	27.56	27.23
Meezan Rozana Amdani Fund	-	-	-	-	-	-	-	-	-
					291,992	326,824	34,832	101.21	100.00
Meezan Strategic Allocation Plan-V									
Al Meezan Mutual Fund	160,990	-	-	160,990	2,144	2,491	346	2.14	2.16
Kse Meezan Index Fund	56,517	-	-	56,517	3,019	3,539	521	3.04	3.06
Meezan Dedicated Equity Fund	1,001,742	-	-	1,001,742	34,665	40,424	5,760	34.68	35.00
Meezan Islamic Fund	2,205,831	28,280	1,523,161	710,950	33,370	39,029	5,659	33.49	33.80
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
Meezan Islamic Income Fund	1,037,053	173,568	638,553	572,068	29,478	30,003	525	25.74	25.98
Meezan Rozana Amdani Fund	-	-	-	-	0	0	-	0.00	0.00
					102,676	115,487	12,811	99.08	100.00
Meezan Strategic Allocation Plan - MCPP-III									
Meezan Sovereign Fund	8,103,630	-	649,910	7,453,720	384,221	394,981	10,759	100.11	100.00
					384,221	394,981	10,759	100.11	100.00

Name of investee funds	As at July 01, 2020	Purchases during the period	Redemptions during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain as at September 30, 2020	Percentage in relation to	
								Net assets of the Fund on the basis of market value	Total market value of investments
				(Number of units)			(Rupees in '000)		
							(Percentage)		
Total investments in units of mutual funds									
Al Meezan Mutual Fund	31,004,683	924,528	5,033,241	26,895,970	359,893	416,083	56,190	15.71	15.64
Kse Meezan Index Fund	969,111	-	-	969,111	51,763	60,689	8,926	2.29	2.28
Meezan Dedicated Equity Fund	12,907,256	96,045	-	13,003,301	450,648	524,738	74,090	19.81	19.72
Meezan Islamic Fund	26,839,284	721,128	15,650,047	11,910,366	560,404	653,846	93,442	24.68	24.58
Meezan Cash Fund	-	-	-	-	-	-	-	-	-
Meezan Islamic Income Fund	15,653,438	3,304,408	7,322,690	11,635,157	599,752	610,255	10,503	23.04	22.94
Meezan Rozana Amdani Fund	-	-	-	-	0	0	-	0.00	0.00
Meezan Sovereign Fund	8,103,630	-	649,910	7,453,720	384,221	394,981	10,757	14.91	14.85
					2,406,681	2,660,592	253,909	100	100

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

September 30, 2020 (Unaudited)								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPI-III	Total	
----- Rupees '000 -----								
Management fee payable	7.1	8	-	1	6	1	1	17
Sindh Sales Tax payable on remuneration of the Management Company		1	-	-	2	-	-	3
Allocated expenses payable	7.2	73	37	46	28	11	33	228
		82	37	47	36	12	34	248
September 30, 2019 (Audited)								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPI-III	Total	
----- Rupees '000 -----								
Management fee payable	7.1	1	-	1	5	1	1	9
Sindh Sales Tax payable on remuneration of the Management Company		-	-	-	1	1	-	2
Allocated expenses payable	7.2	66	37	62	63	16	35	279
		67	37	63	65	22	36	290

7.1. As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2019: 1%) per annum of the average net assets of the Fund during the year ended June 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

7.2. In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

9. ACCRUED EXPENSES AND OTHER LIABILITIES

September 30, 2020 (Unaudited)								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPI-III	Total	
----- (Rupees in '000) -----								
Auditors' remuneration payable	36	20	26	20	7	32	141	
Withholding tax payable	-	-	-	-	-	-	-	-
Sales load payable	-	-	-	-	-	-	-	-
Sindh Sales tax payable on sales load Half Year	-	-	-	-	-	-	-	-
Shariah advisory fee payable	17	15	11	9	2	12	66	
Zakat Payable	-	11	-	122	-	55	188	
Printing fee payable	154	106	117	131	47	110	665	
Capital gain tax	1	2	11	395	26	97	532	
Provision for Sindh Workers' Welfare Fund	9.1	7,683	1,728	2,944	3,078	708	1,202	17,343
		7,891	1,882	3,109	3,755	790	1,508	18,935

June 30, 2020 (Audited)

	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	Total	
	(Rupees in '000)							
Auditors' remuneration payable	85	48	77	81	23	80	394	
Shariah advisor fee payable	31	24	28	28	6	21	138	
Zakat payable	-	11	-	-	-	55	66	
Printing charges payable	155	106	117	131	45	109	663	
Capital gain tax	1	2	-	-	-	84	87	
Withholding tax payable on dividend	7,443	2,477	6,333	6,106	979	-	23,338	
Provision for Sindh Workers' Welfare Fund	9.1	5,651	610	1,121	1,330	222	982	9,916
	<u>13,366</u>	<u>3,278</u>	<u>7,676</u>	<u>7,676</u>	<u>1,275</u>	<u>1,331</u>	<u>34,602</u>	

9.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Sindh Workers' Welfare Fund not been made, the net asset value of MSAP-I, MSAP-II, MSAP-III, MSAP-IV, MSAP-V and M CPP-III as at September 30, 2020 would have been higher by Re. 0.380, Re. 0.162, Re. 0.220, Re. 0.389, Re. 0.289 and Re. 0.159 per unit respectively (2020: Re. 0.263, Re. 0.050, Re. 0.054, Re. 0.064, Re. 0.048 and Re. 0.120 per unit respectively).

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 / 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:

	September 30, 2020 (Unaudited)						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	Total
	(Unaudited)						
Al Meezan Investment Management Limited							
- Management Company							
Remuneration payable (Rs in '000)	8	-	1	6	1	1	17
Sindh Sales Tax on management fee (Rs in '000)	1	-	-	1	-	-	2
Allocated expenses (Rs in '000)	73	37	46	29	11	33	229
Meezan Bank Limited							
Bank balance (Rs in '000)	2,200	422	134	68	1,883	1,149	5,856
Profit receivable (Rs in '000)	33	18	4	13	6	10	84
Central Depository Company of Pakistan Limited - Trustee							
Trustee fee payable (Rs. in '000)	51	26	32	19	7	23	158
Sindh Sales Tax on trustee fee payable (Rs. in '000)	7	3	4	2	1	3	20
Directors and Executives of the Management Company							
Investment (Rs in '000)	-	-	14,820.97	-	-	-	14,821
Investment (Units)	-	-	369,471	-	-	-	369,471
Al Meezan Mutual Fund							
Investment (Rs in '000)	143,032	176,580	14,541	79,440	2,491	-	416,083
Investment (Units)	9,245,708	11,414,251	939,951	5,135,070	160,990	-	26,895,970
Kse Meezan Index Fund							
Investment (Rs in '000)	270	8,612	23,426	24,842	3,539	-	60,689
Investment (Units)	4,311	137,526	374,075	396,682	56,517	-	969,111

	September 30, 2020 (Unaudited)						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
	----- (Unaudited) -----						
Meezan Dedicated Equity Fund							
Investment (Rs in '000)	243,036	16,808	115,912	108,557	40,424	-	524,738
Investment (Units)	6,022,570	416,520	2,872,358	2,690,111	1,001,742	-	13,003,301
Meezan Islamic Fund							
Investment (Rs in '000)	229,149	120,243	240,445	24,980	39,029	-	653,846
Investment (Units)	4,174,148	2,190,324	4,379,909	455,035	710,950	-	11,910,366
Meezan Islamic Income Fund							
Investment (Rs in '000)	226,782	119,382	145,083	89,005	30,003	-	610,255
Investment (Units)	4,323,849	2,276,102	2,766,160	1,696,978	572,068	-	11,635,157
Unitholders holding 10% or more units of the Fund							
Investment (Rs in '000)	204,333	233,754.22	263,577	96,169	29,571	169,805	997,210
Investment (Units)	4,927,521	5,655,694	6,570,701	2,356,513	621,373	3,251,370	23,383,172
	June 30, 2020						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
	----- (Audited) -----						
Al Meezan Investment Management Limited - Management Company							
Remuneration payable (Rs in '000)	1	-	1	1	5	1	9
Sindh Sales Tax on sales load payable (Rs in '000)	-	-	-	-	1	-	1
Allocated expenses (Rs in '000)	66	37	62	64	16	35	280
Investment (Rs in '000)	-	-	-	-	-	-	-
Investment (Units)	-	-	-	-	-	-	-
Meezan Bank Limited							
Bank balance (Rs in '000)	3,566	59	51	958	725	1,040	6,399
Profit receivable (Rs in '000)	27	12	5	9	1	56	110
Central Depository Company of Pakistan Limited - Trustee							
Trustee fee payable (Rs in '000)	46	26	43	43	11	24	193
Sindh Sales Tax on trustee fee payable (Rs in '000)	6	3	6	5	1	3	24
Directors and Executives of the management company							
Investment (Rs in '000)	-	-	12,561	-	-	-	12,561
Investment (Units)	-	-	352,640	-	-	-	352,640
Al Meezan Mutual Fund							
Investment (Rs in '000)	131,395	168,395	7,504	103,488	2,144	-	412,926
Investment (Units)	9,865,833	12,644,000	563,466	7,770,394	160,990	-	31,004,683
Kse Meezan Index Fund							
Investment (Rs in '000)	230	7,346	19,980	21,188	3,019	-	51,763
Investment (Units)	4,311	137,526	374,075	396,682	56,517	-	969,111
Meezan Dedicated Equity Fund							
Investment (Rs in '000)	208,407	11,090	99,396	93,090	34,665	-	446,648
Investment (Units)	6,022,570	320,475	2,872,358	2,690,111	1,001,742	-	12,907,256
Meezan Islamic Fund							
Investment (Rs in '000)	248,726	146,144	423,082	334,179	103,169	-	1,255,300
Investment (Units)	5,317,944	3,124,685	9,045,807	7,145,017	2,205,831	-	26,839,284
Meezan Islamic Income Fund							
Investment (Rs in '000)	216,085	124,435	204,795	206,929	53,371	-	805,615
Investment (Units)	4,198,624	2,417,776	3,979,255	4,020,730	1,037,053	-	15,653,438
Meezan Sovereign Fund							
Investment (Rs in '000)	-	-	-	-	-	417,722	417,722
Unitholders holding 10% or more units of the Fund							
Investment (Rs in '000)	182,460	101,247	248,015	379,597	69,610	-	980,929
Investment (Units)	4,948,436	2,752,039	6,963,017	10,457,891	1,650,791	-	26,772,174

September 30, 2020 (Unaudited)

	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
	----- (Unaudited) -----						
Al Meezan Investment Management Limited - Management Company							
Remuneration for the quarter (Rs in '000)	22	6	8	14	6	5	61
Sindh Sales Tax on management fee (Rs in '000)	3	1	1	2	1	1	9
Allocated expenses (Rs in '000)	218	117	173	149	43	102	802
Redeemed during the quarter (Rs in '000)	-	68,876	-	-	-	-	68,876
Redeemed during the quarter (Units)	-	1,999,600	-	-	-	-	1,999,600
Meezan Bank Limited							
Profit on saving account (Rs in '000)	22	14	88	27	12	49	212
Central Depository Company of Pakistan Limited - Trustee							
Trustee fee (Rs in '000)	152	82	121	104	30	71	560
Sindh Sales Tax on trustee fee (Rs in '000)	20	11	16	14	4	9	74
Redeemed during the quarter (Units)	1,168,168	1,229,749	-	2,635,324	-	-	5,033,241
Directors and Executives of the Management Company							
Amount invested during the quarter (Rs in '000)	-	-	705	-	-	-	705
Units issued during the quarter	-	-	16,831	-	-	-	16,831
Al Meezan Mutual Fund							
Invested during the quarter (Rs in '000)	8,000	-	6,000	-	-	-	14,000
Invested during the quarter (Units)	548,043	-	376,485	-	-	-	924,528
Redeemed during the quarter (Rs in '000)	17,000	19,000	-	40,000	-	-	76,000
Redeemed during the quarter (Units)	1,168,168	1,229,749	-	2,635,324	-	-	5,033,241
Meezan Dedicated Equity Fund							
Invested during the period (Rs in '000)	-	4,000	-	-	-	-	4,000
Invested during the period (Units)	-	96,045	-	-	-	-	96,045
Redeemed during the period (Rs in '000)	-	-	-	-	-	-	-
Redeemed during the period (Units)	-	-	-	-	-	-	-
Meezan Islamic Fund							
Invested during the period (Rs in '000)	12,000	5,000	9,000	11,000	1,500	-	38,500
Invested during the period (Units)	212,097	97,211	174,979	208,562	28,280	-	721,128
Redeemed during the period (Rs in '000)	74,000	54,500	258,500	369,700	82,570	-	839,270
Redeemed during the period (Units)	1,355,893	1,031,572	4,840,878	6,898,544	1,523,161	-	15,650,047
Meezan Cash Fund							
Invested during the period (Rs in '000)	-	-	-	-	-	-	-
Invested during the period (Units)	-	-	-	-	-	-	-
Meezan Islamic Income Fund							
Invested during the period (Rs in '000)	48,000	26,000	43,500	45,000	9,000	-	171,500
Invested during the period (Units)	924,876	500,875	838,091	866,998	173,568	-	3,304,408
Redeemed during the period (Rs in '000)	41,710	33,427	106,770	166,046	33,220	-	381,173
Redeemed during the period (Units)	799,651	642,549	2,051,186	3,190,751	638,553	-	7,322,690
Meezan Sovereign Fund							
Redeemed during the period (Rs in '000)	-	-	-	-	-	33,920	33,920
Redeemed during the period (Units)	-	-	-	-	-	649,910	649,910

September 30, 2019 (Audited)

	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
	----- (Unaudited) -----						
Al Meezan Investment Management Limited - Management Company							
Remuneration for the quarter (Rs in '000)	22	15	20	8	28	17	110
Sindh Sales Tax on management fee (Rs in '000)	3	2	3	1	4	2	15
Allocated expenses (Rs in '000)	239	140	201	218	65	260	1,123
Redeemed during the quarter (Rs in '000)	-	68,876	-	-	-	-	68,876
Redeemed during the quarter (Units)	-	1,999,600	-	-	-	-	1,999,600
Meezan Bank Limited							
Profit on saving account (Rs in '000)	224	106	172	98	98	156	853
Central Depository Company of Pakistan Limited - Trustee							
Trustee fee (Rs in '000)	168	98	141	153	46	182	788
Sindh Sales Tax on trustee fee (Rs in '000)	22	13	18	20	6	24	103

	September 30, 2019 (Audited)						Total
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	
	(Unaudited)						
Al Meezan Mutual Fund							
Redeemed during the period (Rs in '000)	73,470	111,760	-	-	-	-	185,230
Redeemed during the period (Units)	6,181,554	9,003,268	-	-	-	-	15,184,822
Kse Meezan Index Fund							
Invested during the quarter (Rs in '000)	-	-	10,000	10,000	-	-	20,000
Invested during the quarter (Units)	-	-	206,923	206,923	-	-	413,846
Redeemed during the quarter (Rs in '000)	3,027	18	22	25	7	-	3,100
Redeemed during the quarter (Units)	61,908	345	420	477	142	-	63,292
Meezan Dedicated Equity Fund							
Invested during the period (Rs in '000)	-	-	-	-	-	111,000	111,000
Invested during the period (Units)	-	-	-	-	-	3,504,335	3,504,335
Redeemed during the period (Rs in '000)	86,700	8,300	8,900	11,230	3,650	275,545	394,325
Redeemed during the period (Units)	2,649,475	234,945	249,158	316,994	103,863	8,450,834	12,005,269
Meezan Islamic Fund							
Redeemed during the period (Rs in '000)	79,760	9,810	44,010	77,790	42,340	-	253,710
Redeemed during the period (Units)	1,875,376	215,901	1,011,314	1,766,420	990,972	-	5,859,983
Meezan Cash Fund							
Invested during the period (Rs in '000)	-	-	-	-	-	1,920,793	1,920,793
Invested during the period (Units)	-	-	-	-	-	37,706,592	37,706,592
Redeemed during the period (Rs in '000)	-	83	5,962	8,081	40,264	1,102,957	1,157,348
Redeemed during the period (Units)	-	1,615	116,448	158,201	786,420	21,556,969	22,619,654
Meezan Islamic Income Fund							
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	-	23,793,726
Meezan Rozana Amdani Fund							
Invested during the quarter (Rs in '000)	494,375	173,288	269,878	280,029	87,701	1,206,250	2,511,522
Invested during the quarter (Units)	9,887,500	3,465,765	5,397,568	5,600,588	1,754,026	24,124,990	50,230,437
Redeemed during the quarter (Rs in '000)	97,986	58,603	76,748	82,942	22,030	1,295,911	1,634,221
Redeemed during the quarter (Units)	1,959,719	1,172,070	1,534,967	1,658,840	440,607	25,918,212	32,684,415
Dividend during the quarter (Rs in '000)	5,604	2,697	3,981	4,258	1,176	7,064	24,780
Dividend during the quarter (Units)	112,082	53,938	79,622	85,154	23,525	141,282	495,603

11. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended September 30, 2020 and June 30, 2020 are;

	As at September 30, 2020					
	MSAP - I	MSAP - II	MSAP - III	MSAP - IV	MSAP - V	MCPPIII
	Percentage (%)					
Total Expense Ratio (TER)	0.48	0.48	0.50	0.54	0.54	0.29
Government levy and SECP fee	0.27	0.27	0.29	0.33	0.32	0.08
	As at June 30, 2020					
	MSAP - I	MSAP - II	MSAP - III	MSAP - IV	MSAP - V	MCPPIII
	Percentage (%)					
Total Expense Ratio (TER)	0.48	0.48	0.50	0.54	0.54	0.29
Government levy and SECP fee	0.27	0.27	0.29	0.33	0.32	0.08

12. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2021 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

13. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

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

13.1 Fair value hierarchy

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

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the

As at September 30, 2020 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

	As at September 30, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Units of mutual funds	-	2,660,592	-	2,660,592
	As at June 30, 2020			
ASSETS	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Units of mutual funds	-	3,389,974	-	3,389,974

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

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.

**HIGHEST
SOCIAL MEDIA
FOLLOWING IN THE
INDUSTRY**



FUND INFORMATION

MANAGEMENT COMPANY

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Website: www.almeezangroup.com
E-mail: 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020



September 30, 2020 (Unaudited)							
Note	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total	
----- (Rupees in '000) -----							
Assets							
Balances with banks	5	301	450	15	1,433	84	2,283
Investments	6	1,092,426	186,542	204,696	121,568	62,399	1,667,631
Receivable against sale of investments		1,300	700	610	100	-	2,710
Advances, deposits and other receivables		43	35	31	23	15	147
Total assets		1,094,070	187,727	205,352	123,124	62,498	1,672,771
Liabilities							
Payable to AI Meezan Investment Management Limited - Management Company	7	94	34	18	12	17	175
Payable to Central Depository Company of Pakistan Limited - Trustee		72	12	14	9	4	111
Payable to Securities and Exchange Commission of Pakistan		56	10	11	7	3	87
Payable against purchase of investments		2	227	-	-	-	229
Payable against redemption and conversion of units		1,892	500	689	43	117	3,241
Accrued expenses and other liabilities	8	2,122	521	340	147	98	3,228
Total liabilities		4,238	1,304	1,072	218	239	7,071
NET ASSETS		1,089,832	186,423	204,280	122,906	62,259	1,665,700
CONTINGENCIES AND COMMITMENTS							
Unit holders' fund (as per statement attached)		1,089,832	186,423	204,280	122,906	62,259	1,665,700
----- (Number of units) -----							
Number of units in issue		21,270,127	3,606,532	3,968,435	2,432,416	1,235,846	
----- (Rupees) -----							
Net asset value per unit		51.2377	51.6905	51.4762	50.5285	50.3778	

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

For AI Meezan Investment Management Limited
(Management Company)

 Chief Executive

 Chief Financial Officer

 Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

		June 30, 2020 (Audited)					
		M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total
Note		(Rupees in '000)					
Assets							
Balances with banks	5	1,366	2,299	692	175	339	4,871
Investments	6	1,119,695	217,726	213,216	137,116	63,829	1,751,582
Receivable against sale of investments		1,190	3,120	-	100	-	4,410
Advances, deposits and other receivables		118	46	46	27	20	257
Total assets		1,122,369	223,191	213,954	137,418	64,188	1,761,120
Liabilities							
Payable to AI Meezan Investment Management Limited - Management Company	7	95	18	19	12	18	162
Payable to Central Depository Company of Pakistan Limited - Trustee		72	15	14	9	4	114
Payable to Securities and Exchange Commission of Pakistan		265	66	57	34	18	440
Payable against redemption and conversion of units		1,292	4,608	78	131	110	6,219
Dividend payable		2,190	744	25	1,242	16	4,217
Accrued expenses and other liabilities	8	6,070	1,377	281	386	151	8,265
Total liabilities		9,984	6,828	474	1,814	317	19,417
NET ASSETS		1,112,385	216,363	213,480	135,604	63,871	1,741,703
CONTINGENCIES AND COMMITMENTS							
Unit holders' fund (as per statement attached)		1,112,385	216,363	213,480	135,604	63,871	1,741,703
----- (Number of units) -----							
Number of units in issue		22,393,842	4,303,353	4,258,282	2,755,688	1,301,802	
----- (Rupees) -----							
Net asset value per unit		49.6737	50.2777	50.1329	49.2089	49.0635	

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

September 30, 2020						
Note	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV	Total
(Rupees in '000)						
Income						
	8,508	4,485	224	415	41	13,673
	11	33	9	3	3	59
	697	1,095	-	-	-	1,792
	<u>9,216</u>	<u>5,613</u>	<u>233</u>	<u>418</u>	<u>44</u>	<u>15,524</u>
	Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss'					
6.1	26,496	48	5,576	3,311	1,699	37,130
	<u>35,712</u>	<u>5,661</u>	<u>5,809</u>	<u>3,729</u>	<u>1,743</u>	<u>52,654</u>
Expenses						
	7	3	3	1	1	15
7.1	1	-	-	-	-	1
7.2	278	49	53	34	16	430
	195	35	37	24	11	302
	25	4	5	3	1	38
	56	10	11	7	3	87
	98	22	22	13	7	162
	133	30	23	12	7	205
8.1	698	110	113	73	34	1,028
	1	-	-	-	-	1
	<u>1,492</u>	<u>263</u>	<u>267</u>	<u>167</u>	<u>80</u>	<u>2,269</u>
	<u>34,220</u>	<u>5,398</u>	<u>5,542</u>	<u>3,562</u>	<u>1,663</u>	<u>50,385</u>
	Taxation					
12	-	-	-	-	-	-
	<u>34,220</u>	<u>5,398</u>	<u>5,542</u>	<u>3,562</u>	<u>1,663</u>	<u>50,385</u>
Allocation of net income for the quarter						
	34,220	5,398	5,542	3,562	1,663	50,385
	(954)	(303)	(211)	(351)	(39)	(1,858)
	<u>33,266</u>	<u>5,095</u>	<u>5,331</u>	<u>3,211</u>	<u>1,624</u>	<u>48,527</u>
Accounting income available for distribution						
	33,266	4,533	5,331	3,211	1,624	47,965
	-	562	-	-	-	562
	<u>33,266</u>	<u>5,095</u>	<u>5,331</u>	<u>3,211</u>	<u>1,624</u>	<u>48,527</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

		September 30, 2019					
		MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
Note		(Rupees in '000)					
Income							
	Net realised gain / (loss) on sale of investments	7,151	827	522	796	(1,078)	8,218
	Profit on balances with banks	134	22	31	43	68	298
	Dividend income	18,633	6,465	5,180	2,773	2,412	35,463
		<u>25,918</u>	<u>7,314</u>	<u>5,733</u>	<u>3,612</u>	<u>1,402</u>	<u>43,979</u>
	Net unrealised diminution on re-measurement of investments - 'at fair value through profit or loss' (net)	6.1	(17,227)	(5,848)	(5,197)	(3,193)	-
							(31,465)
	Total Income	<u>8,691</u>	<u>1,466</u>	<u>536</u>	<u>419</u>	<u>1,402</u>	<u>12,514</u>
Expenses							
	Remuneration to AI Meezan Investment Manager Limited - Management Company	7.1	5	4	4	6	9
	Sindh Sales Tax on management fee		1	-	1	1	1
	Allocated expenses	7.2	356	105	86	47	30
	Remuneration to Central Depository Company of Pakistan Limited - Trustee		250	73	61	33	21
	Sindh Sales Tax on trustee fee		32	9	8	4	3
	Annual fee to Securities and Exchange Commission of Pakistan		74	22	18	10	6
	Auditors' remuneration		48	12	10	6	3
	Fees and subscription		39	12	10	5	3
	Provision for Sindh Workers' Welfare Fund	8.1	158	25	6	6	27
	Bank and settlement charges		-	-	5	-	-
	Total expenses		<u>963</u>	<u>262</u>	<u>209</u>	<u>118</u>	<u>103</u>
	Net Income for the quarter before taxation		<u>7,728</u>	<u>1,204</u>	<u>327</u>	<u>301</u>	<u>1,299</u>
	Taxation	12	-	-	-	-	-
	Net Income for the quarter after taxation		<u>7,728</u>	<u>1,204</u>	<u>327</u>	<u>301</u>	<u>1,299</u>
Allocation of net income for the quarter							
	Net Income for the quarter after taxation		7,728	1,204	327	301	1,299
	Income already paid on units redeemed		-	-	-	-	(54)
			<u>7,728</u>	<u>1,204</u>	<u>327</u>	<u>301</u>	<u>1,245</u>
	Accounting income available for distribution		<u>7,728</u>	<u>1,204</u>	<u>327</u>	<u>301</u>	<u>1,245</u>
	- Relating to capital gains		-	-	-	-	-
	- Excluding capital gains		7,728	1,204	327	301	1,245
			<u>7,728</u>	<u>1,204</u>	<u>327</u>	<u>301</u>	<u>1,245</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020					Total
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	
	(Rupees in '000)					
Net income for the quarter after taxation	34,220	5,398	5,542	3,562	1,663	50,385
Other comprehensive income for the quarter	-	-	-	-	-	-
Total comprehensive income for the quarter	34,220	5,398	5,542	3,562	1,663	50,385

	September 30, 2019					Total
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	
	(Rupees in '000)					
Net income for the quarter after taxation	7,728	1,204	327	301	1,299	10,859
Other comprehensive income for the quarter	-	-	-	-	-	-
Total comprehensive income for the quarter	7,728	1,204	327	301	1,299	10,859

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020			September 30, 2020			September 30, 2020			September 30, 2020			September 30, 2020			September 30, 2020		
	MCPPIV (Rupees in '000)			MCPPIV (Rupees in '000)			MCPPIV (Rupees in '000)			MCPPIV (Rupees in '000)			MCPPIV (Rupees in '000)			Total (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	Capital Value	Undistributed income / (accumulated loss)	Total
Net assets at the beginning of the quarter	1,122,392	(10,007)	1,112,385	215,481	882	216,363	214,933	(1,453)	213,480	137,452	(1,848)	135,604	67,469	(3,598)	63,871	1,757,727	(16,024)	1,741,703
Redemption of units:																		
MCPPIV: 1,123,715 / MCPPIV: 696,821 /																		
MCPPIV: 289,847 MCPPIV: 323,272 /																		
MCPPIV: 65,956 units																		
- Capital value (at net asset value per unit at the beginning of the quarter)	55,819	-	55,819	35,035	-	35,035	14,531	-	14,531	15,909	-	15,909	3,236	-	3,236	124,530	-	124,530
- Element of income	-	954	954	-	303	303	-	211	211	-	351	351	-	39	39	-	1,858	1,858
Total payments on redemption of units	55,819	954	56,773	35,035	303	35,338	14,531	211	14,742	15,909	351	16,260	3,236	39	3,275	124,530	1,858	126,388
Total comprehensive income for the quarter	-	34,220	34,220	-	5,398	5,398	-	5,542	5,542	-	3,562	3,562	-	1,663	1,663	-	50,385	50,385
Net income for the quarter less distribution	-	34,220	34,220	-	5,398	5,398	-	5,542	5,542	-	3,562	3,562	-	1,663	1,663	-	50,385	50,385
Net assets at the end of the quarter	1,066,573	23,259	1,089,832	180,446	5,977	186,423	200,402	3,878	204,280	121,543	1,363	122,906	64,233	(1,974)	62,259	1,636,110	32,503	1,668,613
(Accumulated loss) / income brought forward																		
- Realised income / (loss)		(9,537)			805			(1,529)			(1,897)			(3,621)			(15,779)	
- Unrealised loss / income		(470)			77			76			49			23			(245)	
		(10,007)			882			(1,453)			(1,848)			(3,598)			(16,024)	
Accounting income available for distribution																		
- Relating to capital gains	33,266	-		4,533	-		5,331	-		3,211	-		1,624	-		47,965	-	
- Excluding capital gains	-			562			-			-			-			562		
	33,266	-		5,095			5,331			3,211			1,624			48,527		
Distribution during the quarter	-			-			-			-			-			-		
Undistributed income carried forward	23,259			5,977			3,878			1,363			(1,974)			32,503		
Undistributed income carried forward																		
- Realised (loss) / income	(3,237)			5,929			(1,698)			(1,948)			(3,673)			(4,627)		
- Unrealised Income	26,496			48			5,576			3,311			1,699			37,130		
	23,259			5,977			3,878			1,363			(1,974)			32,503		
Net asset value per unit as at the beginning of the quarter			Rupees 49.6737			Rupees 50.2777			Rupees 50.1329			Rupees 49.2089			Rupees 49.0635			
Net asset value per unit as at the end of the quarter			51.2377			51.6905			51.4762			50.5285			50.3778			

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

For Al-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief financial officer

Director



MEEZAN STRATEGIC ALLOCATION FUND - II
STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

September 30, 2019			September 30, 2019			September 30, 2019			September 30, 2019			September 30, 2019			September 30, 2019		
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	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total	Capital Value	Undistributed income / (accumulated loss)	Total
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
Net assets at the beginning of the quarter																	
Redemption of units:																	
MCPPIV: 4,004,733 / MCPPIV: 1,959,628 / MCPPIV: 1,429,819																	
MCPPIV: 619,653 / MCPPIV: 602,406 units																	
- Capital value (at net asset value per unit at the beginning of the quarter)																	
200,722	-	200,722	98,205	-	98,205	71,432	-	71,432	31,007	-	31,007	29,517	-	29,517	430,883	-	430,883
(1,679)	-	(1,679)	(1,073)	-	(1,073)	(866)	-	(866)	(359)	-	(359)	54	54	54	(3,977)	54	(3,923)
- Element of (loss) / income																	
Total payments on redemption of units																	
199,043	-	199,043	97,132	-	97,132	70,566	-	70,566	30,648	-	30,648	29,517	54	29,571	426,906	54	426,960
Total comprehensive income for the quarter																	
-	7,728	7,728	-	1,204	1,204	-	327	327	-	301	301	-	1,299	1,299	-	10,859	10,859
Net income for the quarter less distribution																	
-	7,728	7,728	-	1,204	1,204	-	327	327	-	301	301	-	1,299	1,299	-	10,859	10,859
Net assets at the end of the quarter																	
1,364,012	(2,279)	1,361,733	375,970	2,009	377,979	314,989	(1,202)	313,787	178,661	(1,596)	177,065	104,827	(2,375)	102,452	2,338,459	(5,443)	2,333,016
(Accumulated losses) / undistributed income brought forward																	
- Realised income / (loss)																	
26,661			13,730			10,331			4,551			(3,616)			51,657		
(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																	
-			-			-			-			-			-		
- Excluding capital gains																	
7,728			1,204			327			301			1,245			10,805		
7,728			1,204			327			301			1,245			10,805		
Distribution during the quarter																	
(Accumulated losses) / undistributed income carried forward																	
(2,279)			2,009			(1,202)			(1,596)			(2,375)			(5,443)		
(Accumulated loss) / undistributed income carried forward																	
- Realised income / (loss)																	
14,948			7,857			3,995			1,597			(2,375)			26,022		
(17,227)			(5,848)			(5,197)			(3,193)			-			(31,465)		
(2,279)			2,009			(1,202)			(1,596)			(2,375)			(5,443)		
Rupees			Rupees			Rupees			Rupees			Rupees			Rupees		
50,1213			50,1139			49,9586			50,0391			48,9980			49,6007		
50,4700			50,4176			50,1493			50,2263			49,6007			49,6007		
Net asset value per unit as at the beginning of the quarter																	
Net asset value per unit as at the end of the quarter																	

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

For Al-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020					
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
	(Rupees in '000)					
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income for the quarter before taxation	34,220	5,398	5,542	3,562	1,663	50,385
Adjustments for:						
Net unrealised appreciation on re-measurement of investments 'at fair value through profit or loss'	(26,496)	(48)	(5,576)	(3,311)	(1,699)	(37,130)
	7,724	5,350	(34)	251	(36)	13,255
Decrease in assets						
Investments - net	53,765	31,232	14,096	18,859	3,129	121,081
Receivable against sale of investments	(110)	2,420	(610)	-	-	1,700
Advances, deposits and other receivables	75	11	15	4	5	110
	53,730	33,663	13,501	18,863	3,134	122,891
Increase / (decrease) in liabilities						
Payable to AI Meezan Investment Management Limited - Management Company	(1)	16	(1)	-	(1)	13
Payable to Central Depository Company of Pakistan Limited - Trustee	-	(3)	-	-	-	(3)
Payable to Securities and Exchange Commission of Pakistan	(209)	(56)	(46)	(27)	(15)	(353)
Payable against purchase of investments	2	227	-	-	-	229
Accrued expenses and other liabilities	(3,948)	(856)	59	(239)	(53)	(5,037)
	(4,156)	(672)	12	(266)	(69)	(5,151)
Net cash generated from operating activities	57,298	38,341	13,479	18,848	3,029	130,995
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments against redemption and conversion of units	(56,173)	(39,446)	(14,131)	(16,348)	(3,268)	(129,366)
Dividend paid	(2,190)	(744)	(25)	(1,242)	(16)	(4,217)
Net cash used in financing activities	(58,363)	(40,190)	(14,156)	(17,590)	(3,284)	(133,583)
Net (decrease) / increase in cash and cash equivalents during the quarter	(1,065)	(1,849)	(677)	1,258	(255)	(2,588)
Cash and cash equivalents at the beginning of the quarter	1,366	2,299	692	175	339	4,871
Cash and cash equivalents at the end of the quarter	301	450	15	1,433	84	2,283

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN STRATEGIC ALLOCATION FUND - II
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2019					Total
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	
	----- (Rupees in '000) -----					
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income for the quarter before taxation	7,728	1,204	327	301	1,299	10,859
Adjustments for:						
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss'	17,227	5,848	5,197	3,193	-	31,465
	24,955	7,052	5,524	3,494	1,299	42,324
(Increase) / decrease in assets						
Investments - net	190,562	90,414	63,908	25,059	29,640	399,583
Receivable against sale of investments - net	(1,900)	(4,700)	(3,760)	(3,160)	(3,670)	(17,190)
Advances, deposits and other receivables	21	(1)	16	7	(17)	26
	188,683	85,713	60,164	21,906	25,953	382,419
(Decrease) / increase in liabilities						
Payable to AI Meezan Investment Management Limited - Management Company	(21)	(11)	(16)	(4)	(1)	(53)
Payable to Central Depository Company of Pakistan Limited - Trustee	(34)	(15)	(16)	(5)	(2)	(72)
Payable to Securities and Exchange Commission of Pakistan	(1,729)	(604)	(449)	(166)	(50)	(2,998)
Payable against purchase of investments	375	101	82	45	35	638
Accrued expenses and other liabilities	170	61	44	8	28	311
	(1,239)	(468)	(355)	(122)	10	(2,174)
Net cash generated from operating activities	212,399	92,297	65,333	25,278	27,262	422,569
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments against redemption and conversion of units	(211,131)	(92,413)	(66,838)	(27,468)	(25,912)	(423,762)
Net cash used in financing activities	(211,131)	(92,413)	(66,838)	(27,468)	(25,912)	(423,762)
Net increase / (decrease) in cash and cash equivalents during the quarter	1,268	(116)	(1,505)	(2,190)	1,350	(1,193)
Cash and cash equivalents at the beginning of the quarter	1,876	908	1,845	2,960	2,286	9,875
Cash and cash equivalents at the end of the quarter	3,144	792	340	770	3,636	8,682

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

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 Central Depository Company of Pakistan Limited as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.
- 1.5** The Management Company has been assigned a rating of AM1 by VIS dated December 31, 2019 (2019: AM1 dated December 28, 2018) and by PACRA dated June 26, 2020 (2019: AM1 dated June 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 (MCP-IV), Meezan Capital Preservation Plan-V (MCP-V), Meezan Capital Preservation Plan-VI (MCP-VI), Meezan Capital Preservation Plan-VII (MCP-VII) and Meezan Capital Preservation Plan-VIII (MCP-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 (MCP-IV)	Low risk - High return through asset allocation This allocation plan commenced its operations from March 06, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan 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 (MCP-V)	Low risk - High return through asset allocation This allocation plan commenced its operations from May 04, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two and a half years from the close of the subscription period. Units shall be subject to front end load.
Meezan Capital Preservation Plan-VI (MCP-VI)	Low risk - High return through asset allocation 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 (MCP-VII)	Low risk - High return through asset allocation 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 (MCP-VIII)	Low risk - High return through asset allocation 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 VIII A 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 year ended June 30, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020.

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, 2020. 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, 2020.

4.3 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, 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	September 30, 2020 (Unaudited)					Total
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	
	----- (Rupees in '000) -----					
Saving accounts	291	450	15	1,433	84	2,273
Current accounts	10	-	-	-	-	10
	<u>301</u>	<u>450</u>	<u>15</u>	<u>1,433</u>	<u>84</u>	<u>2,283</u>
	----- (Rupees in '000) -----					
June 30, 2020 (Audited)						
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
	----- (Rupees in '000) -----					
Saving accounts	1,356	2,299	692	175	339	4,861
Current accounts	10	-	-	-	-	10
	<u>1,366</u>	<u>2,299</u>	<u>692</u>	<u>175</u>	<u>339</u>	<u>4,871</u>

5.1 The balances in savings accounts have an expected profit which ranges from 2.50% to 3.40% (June 30, 2019 3% to 3.40%) per annum.

6. INVESTMENTS

Note	September 30, 2020 (Unaudited)					Total
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	
	----- (Rupees in '000) -----					
Investments - 'at fair value through profit or loss'	1,092,426	186,542	204,696	121,568	62,399	1,667,631
	<u>1,092,426</u>	<u>186,542</u>	<u>204,696</u>	<u>121,568</u>	<u>62,399</u>	<u>1,667,631</u>
	----- (Rupees in '000) -----					
June 30, 2020 (Audited)						
	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII	MCPP-VIII	Total
	----- (Rupees in '000) -----					
Investments - 'at fair value through profit or loss'	1,119,695	217,726	213,216	137,116	63,829	1,751,582
	<u>1,119,695</u>	<u>217,726</u>	<u>213,216</u>	<u>137,116</u>	<u>63,829</u>	<u>1,751,582</u>

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

Name of investee funds	As at July 1, 2020	Purchases during the quarter	Redemptions during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised appreciation as at September 30, 2020	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) -----		
Meezan Capital Preservation Plan - IV									
Meezan Dedicated Equity Fund	1,007,398	2,578,271	1,213,371	2,372,298	91,653	95,732	4,079	8.78	8.76
Meezan Cash Fund	-	3,239,124	3,239,124	-	-	-	-	-	-
Meezan Sovereign Fund	21,045,293	3,797,558	6,214,520	18,628,332	964,719	987,136	22,417	90.58	90.36
Meezan Rozana Amdani Fund	-	3,647,448	3,456,297	191,151	9,558	9,558	-	0.88	0.87
					<u>1,065,930</u>	<u>1,092,426</u>	<u>26,496</u>	<u>100.24</u>	<u>100.00</u>
Meezan Capital Preservation Plan - V									
Meezan Dedicated Equity Fund	-	134,459	110,631	23,827	956	962	6	0.52	0.52
Meezan Cash Fund	-	569,301	569,301	-	-	-	-	-	-
Meezan Sovereign Fund	4,223,792	488,350	4,369,499	342,643	18,114	18,156	42	9.74	9.73
Meezan Rozana Amdani Fund	-	3,855,013	506,540	3,348,473	167,424	167,424	-	89.81	89.75
					<u>186,494</u>	<u>186,542</u>	<u>48</u>	<u>100.06</u>	<u>100.00</u>
Meezan Capital Preservation Plan - VI									
Meezan Sovereign Fund	4,136,293	-	273,460	3,862,833	199,120	204,696	5,576	100.20	100.00
					<u>199,120</u>	<u>204,696</u>	<u>5,576</u>	<u>100.20</u>	<u>100.00</u>
Meezan Capital Preservation Plan - VII									
Meezan Sovereign Fund	2,659,990	-	-	-	118,257	121,568	3,311	98.91	100.00
					<u>118,257</u>	<u>121,568</u>	<u>3,311</u>	<u>98.91</u>	<u>100.00</u>

Name of investee funds	As at July 1, 2020	Purchases during the quarter	Redemptions during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised appreciation as at September 30, 2020	Percentage in relation to	
	(Number of units)				(Rupees in '000)			Market value on the basis of Net Assets of the Fund	Total market value of investments
								(Percentage)	
Meezan Capital Preservation Plan - VIII									
Meezan Sovereign Fund	1,238,243	-	60,697	1,177,546	60,700	62,399	1,699	100.22	100.00
					60,700	62,399	1,699	100.22	100.00
Total investments in units of mutual funds									
Meezan Dedicated Equity Fund	1,007,398	2,712,730	1,324,003	2,396,125	92,609	96,694	4,085	5.81	5.80
Meezan Cash Fund	-	3,808,424	3,808,425	-	-	-	-	-	-
Meezan Sovereign Fund	33,303,611	4,285,908	11,284,041	26,305,478	1,360,910	1,393,955	33,045	83.69	83.59
Meezan Rozana Amdani Fund	-	7,502,461	3,962,837	3,539,624	176,982	176,982	-	10.63	10.61
					1,630,501	1,667,631	37,130	100.12	100.00

7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED

	As at September 30, 2020 (Unaudited)						Total
	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII		
	(Rupees in '000)						
Management fee payable	7.1	2	-	1	2	10	15
Sindh Sales Tax on management fee payable		1	-	-	-	2	3
Allocated Expenses	7.2	91	34	17	10	5	157
		94	34	18	12	17	175
	As at June 30, 2020 (Audited)						Total
	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII		
	(Rupees in '000)						
Management fee payable	7.1	2	-	1	1	11	15
Sindh Sales Tax on management fee payable		1	-	-	-	2	3
Allocated Expenses		92	18	18	11	5	144
		95	18	19	12	18	162

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2020: 1%) per annum of the daily bank balance of the Fund during the quarter ended September 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

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

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

8 ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	As at September 30, 2020 (Unaudited)					Total
		M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	
		(Rupees in '000)					
Auditors' remuneration payable		79	14	15	10	4	122
Withholding tax payable		14	-	-	-	-	14
Shariah advisory fee payable		60	8	8	5	2	83
Printing charges payable		214	10	7	1	1	233
Provision for Sindh Workers' Welfare Fund	8.1	1,743	477	256	130	91	2,697
Capital gain tax payable		12	7	7	1	-	27
Zakat payable		-	5	47	-	-	52
		2,122	521	340	147	98	3,228

As at June 30, 2020 (Audited)						
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
	(Rupees in '000)					
Auditors' remuneration payable	188	43	39	23	12	305
Withholding tax payable	4,514	922	27	294	73	5,830
Shariah advisory fee payable	101	18	16	10	5	150
Printing charges payable	212	9	8	-	2	231
Provision for Sindh Workers' Welfare Fund	8.1	1,046	367	142	58	1,672
Capital gain tax payable	9	18	1	1	-	29
Zakat payable	-	-	48	-	-	48
	6,070	1,377	281	386	151	8,265

- 8.1** The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision for SWWF not been made, the net asset value per unit as at September 30, 2020 would have been higher by Re 0.08, Re 0.13, Re 0.06, Re 0.05 and 0.08 in MCCP-IV, MCCP-V, MCCP-VI, MCCP-VII, and MCCP-VIII (June 30, 2020: Re. 0.05, Re. 0.09, Re. 0.03, Re.0.02, and Re. 0.05 per unit for MCCP-IV, MCCP-V, MCCP-VI, MCCP-VII, MCCP-VIII) respectively.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

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 / 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:

As at September 30, 2020 (Unaudited)						
Balances	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII	Total
Al Meezan Investment Management Limited - Management Company						
Remuneration payable (Rs in '000)	2	-	1	2	10	15
Sindh Sales Tax on management fee (Rs in '000)	1	-	-	-	2	3
Allocated expenses (Rs in '000)	91	34	17	10	5	157
Meezan Bank Limited						
Bank balance (Rs in '000)	291	450	15	1,433	84	2,273
Profit receivable (Rs in '000)	1	10	1	2	-	14
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee payable (Rs. in '000)	64	11	12	8	3	98
Sindh Sales Tax on trustee fee payable (Rs. in '000)	8	1	2	1	1	13
Directors and Executives of the Management Company						
Investment (Rs in '000)	5,252	-	-	-	-	5,252
Investment (Units)	102,501	-	-	-	-	102,501
Meezan Dedicated Equity Fund						
Investment (Rs in '000)	95,732	962	-	-	-	96,694
Investment (Units)	2,372,298	23,827	-	-	-	2,396,125
Meezan Sovereign Fund						
Investment (Rs in '000)	987,136	18,156	204,696	121,568	62,399	1,393,955
Investment (Units)	18,628,332	342,643	3,862,833	2,294,126	1,177,546	26,305,478
Meezan Rozana Amdani Fund						
Investment (Rs in '000)	9,558	167,424	-	-	-	176,982
Investment (Units)	191,151	3,348,473	-	-	-	3,539,624
Unitholders holding 10% or more units of the Fund						
Investment (Rs in '000)	172,983	-	25,391	49,878	-	248,252
Investment (Units)	3,376,099	-	493,254	987,119	-	4,856,472



Balances

As at June 30, 2020 (Audited)

	M CPP-IV	M CPP-V	M CPP-VI	M CPP-VII	M CPP-VIII	Total
AI Meezan Investment Management Limited - Management Company						
Remuneration payable (Rs in '000)	2	-	1	1	11	15
Sindh Sales Tax on management fee (Rs in '000)	1	-	-	-	2	3
Allocated expenses (Rs in '000)	92	18	18	11	5	144
Meezan Bank Limited						
Bank balance (Rs in '000)	1,356	2,289	692	175	339	4,851
Profit receivable (Rs in '000)	3	2	4	1	2	12
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee payable (Rs in '000)	64	13	12	8	3	100
Sindh Sales Tax on trustee fee payable (Rs in '000)	8	2	2	1	1	14
Directors and Executives of the Management Company						
Investment (Rs in '000)	5,092	-	-	-	-	5,092
Investment (Units)	102,501	-	-	-	-	102,501
Meezan Dedicated Equity Fund						
Investment (Rs in '000)	34,860	-	-	-	-	34,860
Investment (Units)	1,007,398	-	-	-	-	1,007,398
Meezan Sovereign Fund						
Investment (Rs in '000)	1,084,835	217,726	213,216	137,116	63,829	1,716,722
Investment (Units)	21,045,293	4,223,792	4,136,293	2,659,990	1,238,243	33,303,611
Unitholders holding 10% or more units of the Fund						
Investment (Rs in '000)	167,703	-	24,728	48,575	-	241,007
Investment (Units)	3,376,099	-	493,254	987,119	-	4,856,472
For the quarter ended September 30, 2020 (Unaudited)						
	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 (Rs in '000)	7	3	3	1	1	15
Sindh Sales Tax on management fee (Rs in '000)	1	-	-	-	-	1
Allocated expenses (Rs in '000)	278	49	53	34	16	430
Meezan Bank Limited						
Profit on saving account (Rs in '000)	11	33	9	3	3	59
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee (Rs in '000)	195	35	37	24	11	302
Sindh Sales Tax on trustee fee (Rs in '000)	25	4	5	3	1	38
Meezan Dedicated Equity Fund						
Invested during the quarter (Rs. in '000)	102,300	5,350	-	-	-	107,650
Invested during the quarter (Units)	2,578,271	134,459	-	-	-	2,712,730
Redeemed during the quarter (Rs. in '000)	48,120	4,489	-	-	-	52,609
Redeemed during the quarter (Units)	1,213,371	110,631	-	-	-	1,324,003
Meezan Cash Fund						
Invested during the quarter (Rs. in '000)	165,000	29,000	-	-	-	194,000
Invested during the quarter (Units)	3,239,124	569,301	-	-	-	3,808,424
Redeemed during the quarter (Rs. in '000)	165,077	29,014	-	-	-	194,091
Redeemed during the quarter (Units)	3,239,124	569,301	-	-	-	3,808,425
Meezan Sovereign Fund						
Invested during the quarter (Rs. in '000)	200,315	25,791	-	-	-	226,106
Invested during the quarter (Units)	3,797,558	488,350	-	-	-	4,285,908
Redeemed during the quarter (Rs. in '000)	326,248	229,780	14,320	19,274	3,170	592,792
Redeemed during the quarter (Units)	6,214,520	4,369,499	273,460	365,864	60,697	11,284,041
Meezan Rozana Amdani Fund						
Invested during the quarter (Rs. in '000)	182,372	192,751	-	-	-	375,123
Invested during the quarter (Units)	3,647,448	3,855,013	-	-	-	7,502,461
Redeemed during the quarter (Rs. in '000)	172,815	25,327	-	-	-	198,142
Redeemed during the quarter (Units)	3,456,297	506,540	-	-	-	3,962,837
Dividend received during the quarter (Rs. in '000)	697	1,095	-	-	-	1,792
Dividend received during the quarter (Units)	13,938	21,908	-	-	-	35,848

For the quarter ended September 30, 2019 (Unaudited)						
MCCP - IV	MCCP - V	MCCP - VI	MCCP - VII	MCCP - VIII	Total	
------(Unaudited)-----						
Al Meezan Investment Management Limited - Management Company						
Remuneration for the quarter	5	4	4	6	9	28
Sindh Sales Tax on management fee	1	-	1	1	1	4
Allocated expenses	356	105	86	47	30	624
For the quarter ended September 30, 2019 (Unaudited)						
MCCP - IV	MCCP - V	MCCP - VI	MCCP - VII	MCCP - VIII	Total	
------(Unaudited)-----						
Meezan Bank Limited						
Profit on saving account	134	21	31	44	68	298
Central Depository Company of Pakistan Limited - Trustee						
Trustee fee (Rs in '000)	250	73	61	33	21	438
Sindh Sales Tax on trustee fee (Rs in '000)	32	9	8	4	3	56
Meezan Dedicated Equity Fund						
Invested during the quarter (Rs. in '000)	-	-	-	-	43,000	43,000
Invested during the quarter (Units)	-	-	-	-	1,286,112	1,286,112
Redeemed during the quarter (Rs. in '000)	105,540	24,510	22,060	6,830	59,579	218,519
Redeemed during the quarter (Units)	3,201,819	758,544	681,264	209,112	1,804,678	6,655,417
Meezan Cash Fund						
Invested during the quarter (Rs. in '000)	1,281,552	372,855	296,207	154,708	209,083	2,314,406
Invested during the quarter (Units)	25,330,703	7,369,913	5,855,373	3,058,517	4,124,642	45,739,149
Redeemed during the quarter (Rs. in '000)	1,295,575	375,734	298,558	155,937	209,717	2,335,520
Redeemed during the quarter (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 quarter (Rs. in '000)	-	-	-	-	-	-
Invested during the quarter (Units)	-	-	-	-	-	-
Redeemed during the quarter (Rs. in '000)	909,145	265,031	214,613	114,396	87,252	1,590,438
Redeemed during the quarter (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 quarter (Rs. in '000)	1,240,191	352,843	292,568	145,102	232,845	2,263,548
Invested during the quarter (Units)	24,803,812	7,056,850	5,851,355	2,902,040	4,656,902	45,270,959
Redeemed during the quarter (Rs. in '000)	409,196	151,664	117,975	48,502	156,940	884,277
Redeemed during the quarter (Units)	8,183,916	3,033,280	2,359,502	970,039	3,138,808	17,685,544
Dividend received during the quarter (Rs. in '000)	18,633	6,465	5,180	2,773	2,412	35,462
Dividend received during the quarter (Units)	372,651	129,301	103,596	55,458	48,235	709,241

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2020 are;

	As at September 30, 2020 (Unaudited)				
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII
Total Expense ratio (including government levies)	0.35%	0.37%	0.34%	0.33%	0.34%
Government levies, Sindh Workers' Fund and SECP Fee	0.09%	0.09%	0.08%	0.08%	0.08%
	As at June 30, 2020 (Audited)				
	MCCP-IV	MCCP-V	MCCP-VI	MCCP-VII	MCCP-VIII
Total Expense ratio (including government levies)	0.31%	0.36%	0.31%	0.29%	0.35%
Government levies	0.09%	0.12%	0.08%	0.06%	0.10%

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.

12. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the 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 quarter as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2021 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).

13. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

Financial assets which are 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 September 30, 2020 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

ASSETS	As at September 30, 2020 (Unaudited)			Total
	Level 1	Level 2	Level 3	
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Units of mutual funds	-	1,667,631	-	1,667,631

ASSETS	As at June 30, 2020 (Audited)			Total
	Level 1	Level 2	Level 3	
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Units of mutual funds	-	1,751,582	-	1,751,582

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

15. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on **October 21, 2020** by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



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.

HIGHEST
website traffic
IN THE INDUSTRY



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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 Pakistan Limited
Meezan Bank Limited

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

**MEEZAN STRATEGIC ALLOCATION FUND - III
STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**



	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	MCCPP-IX	
	----- (Rupees in '000) -----	
Assets		
Balances with banks	5 60	447
Investments	6 95,477	89,540
Advance, deposits and other receivable	28	2
Total assets	<u>95,565</u>	<u>89,989</u>
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	7 8	7
Payable to Central Depository Company of Pakistan Limited - Trustee	6	6
Payable to Securities and Exchange Commission of Pakistan	5	18
Payable against redemption and conversion of units	5	-
Accrued expenses and other liabilities	9 358	963
Total liabilities	<u>382</u>	<u>994</u>
Net assets	<u>95,183</u>	<u>88,995</u>
Unit holders' fund (as per statement attached)	<u>95,183</u>	<u>88,995</u>
Contingencies and commitments	8	
	----- (Number of units) -----	
Number of units in issue	<u>1,810,492</u>	<u>1,831,230</u>
	----- (Rupees) -----	
Net asset value per unit	<u>52.5728</u>	<u>48.5984</u>

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND - III
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	<u>September 30,</u>	
	2020	2019
	MCCP-IX	
	----- (Rupees in '000) -----	
Income		
Realised gain / (loss) on sale of investments	2,729	(1,173)
Profit on balance with banks	1	98
Dividend income	7	1,859
	<u>2,737</u>	<u>784</u>
Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss'	6.1 4,872	-
Total income	<u>7,609</u>	<u>784</u>
Expenses		
Remuneration to Al Meezan Investment Management Limited - Management Company	1	19
Sindh Sales Tax on remuneration to Management Company	-	2
Allocated expenses	24	21
Remuneration to Central Depository Company of Pakistan Limited - Trustee	17	16
Sindh Sales Tax on remuneration of the Trustee	2	2
Annual fee to Securities and Exchange Commission of Pakistan	5	4
Auditors' remuneration	48	15
Fees and subscription	68	68
Provision for Sindh Workers' Welfare Fund	149	13
Total expenses	<u>314</u>	<u>160</u>
Net income for the quarter before taxation	<u>7,295</u>	<u>624</u>
Taxation	12 -	-
Net income for the quarter after taxation	<u>7,295</u>	<u>624</u>
Allocation of net income for the quarter		
Net income for the quarter after taxation	7,295	624
Income already paid on units redeemed	(100)	(32)
	<u>7,195</u>	<u>592</u>
Accounting income available for distribution		
- Relating to capital gains	7,195	-
- Excluding capital gains	-	592
	<u>7,195</u>	<u>592</u>

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND - III
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**



	September 30,	
	2020	2019
	M CPP-IX	
	----- (Rupees in '000) -----	
Net income for the quarter after taxation	7,295	624
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>7,295</u>	<u>624</u>

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND - III
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020			September 30, 2019		
	MCPPI-IX			MCPPI-IX		
	Capital Value	Undistributed income	Total	Capital Value	(Accumulated loss) / Undistributed Income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the quarter	88,323	672	88,995	34,246	(316)	33,930
Issuance of units:						
Issuance of nil units (2019 : 1,816,116 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	-	-	-	87,605	-	87,605
- Element of income	-	-	-	279	-	279
Total proceeds on issuance of units	-	-	-	87,884	-	87,884
Redemption of units:						
Redemption of 20,738 units (2019: 583,190 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	1,007	-	1,007	28,132	-	28,132
- Element of income / (loss)	-	100	100	(21)	-	(21)
Total payments on redemption of units	1,007	100	1,107	28,111	-	28,111
Total comprehensive income for the quarter	-	7,295	7,295	-	624	624
Net assets at the end of the quarter	87,316	7,867	95,183	94,019	308	94,327
Undistributed income / (Accumulated loss) brought forward						
- Realised loss		(316)			(105)	
- Unrealised income / (loss)		988			(211)	
		672			(316)	
Accounting income available for distribution						
- Relating to capital gains	7,195			32		
- Excluding capital gains	-			592		
	7,195			624		
Undistributed income carried forward		7,867			308	
Undistributed income carried forward						
- Realised income		2,995			308	
- Unrealised income		4,872			-	
		7,867			308	
Net asset value per unit as at the beginning of the quarter			Rupees			Rupees
			48.5984			48.2374
Net asset value per unit as at the end of the quarter			52.5728			48.7146

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

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND - III
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**



	September 30,	
	2020	2019
	MCP-IX	
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	7,295	624
Adjustments for:		
Net unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss'	(4,872)	-
	2,423	624
(Increase) in assets		
Investments - net	(1,065)	(74,208)
Advance, deposits and other receivable	(26)	(64)
Receivable against sale of investments	-	(4,890)
	(1,091)	(79,162)
Increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	1	(852)
Payable to Central Depository Company of Pakistan Limited - Trustee	-	6
Payable to Securities and Exchange Commission of Pakistan	(13)	3
Payable against purchase of investments	-	33
Accrued expenses and other liabilities	(605)	107
	(617)	(703)
Net cash (used in) / generated from operating activities	715	(79,241)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	-	87,884
Payments against redemption and conversion of units	(1,102)	(22,916)
Net cash (used in) / generated from financing activities	(1,102)	64,968
Net decrease in cash and cash equivalents	(387)	(14,273)
Cash and cash equivalents at the beginning of the quarter	447	15,908
Cash and cash equivalents at the end of the quarter	60	1,635

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

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

Chief Executive

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - III
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

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 Central Depository Company of Pakistan Limited as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.
- 1.5** The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2019: AM1 dated December 28, 2018) and by PACRA dated June 26, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.6** The fund generates returns on investment as per allocation plan (sub fund) namely Meezan Capital Preservation Plan-IX (MCPPI-IX) by investing in Shariah compliant fixed income / money market and equity mutual funds in line with the risk tolerance of the investor. The management may also invest in other Collective Investments Schemes available to it with prior approval of SECP.
- 1.7** A brief description of the plan is as follows:

Meezan Capital Preservation Plan-IX (MCPPI-IX)	Low risk - High return through asset allocation: 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.
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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 VIII A of repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and 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, 2020.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2020.

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, 2020.

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, 2020. 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, 2020.

4.3 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, 2020. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
5. BALANCES WITH BANKS	Note	MCCP-IX	
		-----(Rupees in '000)----	
Saving accounts	5.1	60	447

5.1 The balances in savings accounts have an expected profit which ranges from 2.50% to 6.25% per annum. (June 30, 2020: 3.00% to 7.50% per annum).

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
6. INVESTMENTS	Note	MCCP-IX	
		-----(Rupees in '000)----	
Investments - 'at fair value through profit or loss' - units of mutual funds	6.1	95,477	89,540

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

Name of investee funds	As at July 01, 2020	Purchases during the quarter	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain as at September 30, 2020	Percentage in relation to	
								Market Value on the basis of Net Assets of the Fund	Total market value of investments
					(Rupees in '000)		(Percentage)		
Meezan Capital Preservation Plan - IX									
Meezan Dedicated Equity Fund	1,024,922	687,653	676,455	1,036,120	38,148	41,812	3,664	44	44
Meezan Sovereign Fund	1,048,980	451,261	534,731	965,510	49,956	51,164	1,208	54	54
Meezan Rozana Amdani Fund	-	110,136	60,109	50,027	2,501	2,501	-	3	3
					90,605	95,477	4,872	100	100

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	Note	MCCP-IX ----(Rupees in '000)----	
7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - Management Company			
Management fee payable	7.1	-	-
Sindh Sales Tax payable on remuneration of the -Management Company			-
Allocated Expenses	7.2	8	7
		<u>8</u>	<u>7</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2020: 1%) per annum of the daily bank balance of the Fund during the quarter ended September 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

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

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

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	Note	MCCP-IX ----(Rupees in '000)----	
9. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		19	50
Shariah advisory fee payable		81	147
Capital gain tax payable		7	1
Provision for Sindh Workers' Welfare Fund	9.1	251	102
Withholding tax payable		-	604
Dividend Payable		-	59
		<u>358</u>	<u>963</u>

9.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the SWWF not been recorded the NAV per unit of the plan (MCCP IX) as at September 30, 2020 would have been higher by Re.0.14 per unit (June 30, 2020 : Re. 0.06 per unit).

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

10.3 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.

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

	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	MCCP IX ----(Rupees in '000)----	
Al Meezan Investment Management Limited - Management Company		
Allocated expenses (Rs in '000)	8	7
Investment (Rs in '000)	77,714	71,839
Investment (Units)	1,478,213	1,478,213
Meezan Bank Limited		
Bank balance (Rs in '000)	40	427
Profit receivable (Rs in '000)	1	2
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable (Rs. in '000)	5	1
Sindh Sales Tax on trustee fee payable (Rs. in '000)	1	-
Meezan Dedicated Equity Fund		
Investment (Rs in '000)	41,812	35,468
Investment (Units)	1,036,120	1,024,922
Meezan Sovereign Fund		
Investment (Rs in '000)	51,164	54,072
Investment (Units)	965,510	1,048,980
Meezan Rozana Amdani Fund		
Investment (Rs in '000)	2,501	-
Investment (Units)	50,027	-



For the quarter ended
September 30,

2020 2019

(Unaudited)
MCCP IX
(Rupees in '000)

Al Meezan Investment Management Limited - Management Company

Remuneration for the quarter (Rs in '000)
Sindh Sales Tax on management fee (Rs in '000)
Allocated expenses (Rs in '000)

1	19
-	2
24	21

Meezan Bank Limited

Profit on saving account (Rs in '000)

1	98
---	----

Central Depository Company of Pakistan Limited - Trustee

Trustee fee for the quarter (Rs in '000)
Sindh Sales Tax on trustee fee (Rs in '000)

17	16
2	2

Meezan Dedicated Equity Fund

Invested during the quarter (Rs in '000)
Invested during the quarter (Units)
Redeemed during the quarter (Rs in '000)
Redeemed during the quarter (Units)

26,800	32,500
687,653	1,017,411
26,547	36,549
676,455	1,170,836

Meezan Cash Fund

Invested during the quarter (Rs in '000)
Invested during the quarter (Units)
Redeemed during the quarter (Rs in '000)
Redeemed during the quarter (Units)

-	74,789
-	1,474,895
-	78,255
-	1,539,522

Meezan Sovereign Fund

Invested during the quarter (Rs in '000)
Invested during the quarter (Units)
Redeemed during the quarter (Rs in '000)
Redeemed during the quarter (Units)

23,480	12,000
451,261	232,743
27,898	22,255
534,731	431,562

Meezan Rozana Amdani Fund

Invested during the quarter (Rs in '000)
Invested during the quarter (Units)
Redeemed during the quarter (Rs in '000)
Redeemed during the quarter (Units)
Dividend received during the quarter (Units)
Dividend received during the quarter (Rs. In '000')

5,507	168,396
110,136	3,367,918
3,005	75,244
60,109	1,504,879
145	37,184
7	1,859

11 EXPENSE RATIO

The Total Expense Ratio of the Fund for the quarter ended September 30, 2020 is 0.85% which include 0.19% representing government levy, Sindh Worker Welfare Fund and SECP fee for MCCP - IX. 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 Funds Scheme.

12. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current quarter as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2021 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.

13 FAIR VALUE 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 September 30, 2020 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

ASSETS

Financial assets 'at fair value through profit or loss'
Units of mutual funds

As at September 30, 2020 (Unaudited)		
Level 1	Level 2	Level 3
----- Rupees in '000 -----		
	95,477	-

As at June 30, 2020 (Audited)		
Level 1	Level 2	Level 3
----- Rupees in '000 -----		
	89,540	-

Financial assets 'at fair value through profit or loss'
Units of mutual funds

14 GENERAL

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

15. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 21, 2020 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Meezan
Tahaffuz Pension Fund

Meezan Tahaffuz Pension Fund (MTPF)

Meezan Tahaffuz Pension Fund is Pakistan's first and the largest Shariah compliant Voluntary Pension Scheme. MTPF is the best way to save and invest for your post-retirement needs and it has the potential to deliver superior returns with the added advantage of providing Tax Benefits which significantly enhances the yield on your investment.

**LARGEST
PENSION FUND
MANAGER
IN THE INDUSTRY**



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. 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 Shaukat Khan (Kamila)	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. Ariful Islam	Chairman
Mr. Moin M. Fudda	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

KPMG Taseer Hadi & Co
Chartered Accountants
Sheikh Sultan Trust Buildings, Ground No 2 Beaumont Rd, Civil Lines, Karachi-75530 Pakistan

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

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

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

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



**MEEZAN TAHAFFUZ PENSION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

Note	September 30, 2020 (Unaudited)					June 30, 2020 (Audited)	
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total	
(Rupees in '000)							
ASSETS							
Bank balances	5	203,133	812,738	1,899,926	25,510	2,941,307	3,004,797
Investments	6	4,691,643	2,641,394	1,159,728	-	8,492,765	7,527,701
Investment in gold		-	-	-	105,975	105,975	97,926
Dividend receivable		25,033	-	-	-	25,033	8,284
Deposits and other receivables	7	9,859	45,806	15,820	39	71,524	79,369
Receivable against change of plan / change of fund manager / issuance of units		-	2,869	-	-	2,869	-
Receivable against sale of investments		100,562	-	-	-	100,562	9,999
Total assets		5,030,230	3,502,807	3,075,474	131,524	11,740,035	10,728,076
LIABILITIES							
Payable to Al Meezan Investment Management Limited - Pension Fund Manager		7,144	4,786	4,158	183	16,271	2,005
Payable to Central Depository Company of Pakistan Limited - Trustee		379	253	220	9	861	788
Payable to auditors		30	30	30	31	121	253
Payable to Securities and Exchange Commission of Pakistan		404	277	253	11	945	3,218
Payable against purchase of investments		3,375	-	-	-	3,375	9,989
Payable against withdrawal / change of plan		10,284	11,221	41,909	261	63,675	18,594
Accrued expenses and other liabilities	8	85,867	28,515	13,622	1,481	129,485	172,531
Total liabilities		107,483	45,082	60,192	1,976	214,733	207,378
NET ASSETS		4,922,747	3,457,725	3,015,282	129,548	11,525,302	10,520,698
Contingencies and commitments	9						
PARTICIPANTS' SUB - FUNDS (as per statement attached)		4,922,747	3,457,725	3,015,282	129,548	11,525,302	10,520,698
----- (Number of units) -----							
Number of units in issue (as per statement attached)		10,447,362	12,761,905	11,572,352	769,793		
----- (Rupees) -----							
Net assets value per unit		471.1952	270.9411	260.5591	168.2896		

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements

For Al Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director

**MEEZAN TAHAFFUZ PENSION FUND
CONDENSED INTERIM INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

Note	September 30, 2020				Total	September 30,
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		2019
(Rupees in '000)						
INCOME						
	-	51,180	9,920	-	61,100	46,640
	2,822	14,134	32,188	184	49,328	101,360
	-	3,911	9,270	-	13,181	17,238
	28,938	-	-	-	28,938	58,336
	679,924	58,460	(1,443)	-	736,941	(235,838)
6.1 & 6.2	-	-	-	8,049	8,049	4,448
6.5	75,980	2,302	2,526	-	80,808	(57,161)
	-	-	-	134	134	128
Total income / (loss)	787,664	129,987	52,461	8,367	978,479	(64,849)
EXPENSES						
	18,263	12,516	11,451	487	42,717	32,869
	2,374	1,627	1,489	63	5,553	4,273
	977	670	613	26	2,286	1,894
	127	87	80	3	297	246
	405	278	254	11	948	730
	59	60	60	60	239	112
	1,488	152	68	272	1,980	714
	166	3	4	-	173	164
	789	-	-	-	789	1,691
	15,148	2,351	759	156	18,414	2,839
Total expenses	39,796	17,744	14,778	1,078	73,396	45,532
Net income /(loss) from operating activities	747,868	112,243	37,683	7,289	905,083	(110,381)
	(5,614)	2,976	(491)	333	(2,796)	31,481
Net income / (loss) for the quarter before taxation	742,254	115,219	37,192	7,622	902,287	(78,900)
Taxation	-	-	-	-	-	-
Net income / (loss) for the quarter after taxation	742,254	115,219	37,192	7,622	902,287	(78,900)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income / (loss) for the quarter	742,254	115,219	37,192	7,622	902,287	(78,900)

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements

**For AI Meezan Investment Management Limited
(Pension Fund Manager)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN TAHAFFUZ PENSION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

Note	September 30, 2020				Total	September 30,
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		2019
(Rupees in '000)						
CASH FLOW FROM OPERATING ACTIVITIES						
Net income / (loss) for the quarter taxation	742,254	115,219	37,192	7,622	902,287	(78,900)
Adjustments:						
Unrealised (appreciation) /diminution on 're-measurement of investments at 'fair value through profit or loss' (net)	6.1 & 6.2 (679,924)	(58,460)	1,443	-	(736,941)	235,838
Unrealised appreciation on investment in gold	6.5 -	-	-	(8,049)	(8,049)	(4,448)
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed (net)	5,614	(2,976)	491	(333)	2,796	(31,481)
	67,944	53,783	39,126	(760)	160,093	121,009
Increase in assets						
Investments (net)	17,450	(242,332)	(3,241)	-	(228,123)	(395,036)
Receivable against sale of investments	(90,563)	-	-	-	(90,563)	(7,686)
Dividend receivable	(16,749)	-	-	-	(16,749)	(41,653)
Deposits and other receivables	1	8,797	(924)	(29)	7,845	(31,270)
	(89,861)	(233,535)	(4,165)	(29)	(327,590)	(475,645)
(Decrease) / Increase in liabilities						
Payable to Al Meezan Investment Management Limited - Pension fund Manager	6,356	4,177	3,573	160	14,266	(380)
Payable to Central Depository Company of Pakistan Limited - Trustee	66	17	(11)	1	73	(17)
Payable to Securities and Exchange Commission of Pakistan	(937)	(688)	(626)	(22)	(2,273)	(2,370)
Payable to auditors	(33)	(33)	(33)	(33)	(132)	115
Payable against purchase of investments	(6,614)	-	-	-	(6,614)	21
Accrued expenses and other liabilities	(1,101)	(17,814)	(23,943)	(188)	(43,046)	4,933
	(2,263)	(14,341)	(21,040)	(82)	(37,726)	2,302
Net cash (used in) / generated from operating activities	(24,180)	(194,093)	13,921	(871)	(205,223)	(352,334)
CASH FLOW FROM FINANCING ACTIVITIES						
Receipts of contribution / change of plan / change of fund manager / issuance of units	323,446	465,234	442,215	8,111	1,239,006	2,153,100
Payments on withdrawal / change of plan	(275,406)	(295,285)	(521,553)	(5,029)	(1,097,273)	(2,231,246)
Net cash generated from / (used in) financing activities	48,040	169,949	(79,338)	3,082	141,733	(78,146)
Net increase / (decrease) in cash and cash equivalents during the quarter	23,860	(24,144)	(65,417)	2,211	(63,490)	(430,480)
Cash and cash equivalents at beginning of the quarter	179,273	836,882	1,965,343	23,299	3,004,797	3,306,722
Cash and cash equivalents at end of the quarter	5 203,133	812,738	1,899,926	25,510	2,941,307	2,876,242

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements

**For Al Meezan Investment Management Limited
(Pension Fund Manager)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN TAHAFUZZ PENSION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS SUB FUNDS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020				Total	September 30, 2019
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund		Total
	(Rupees in '000)					
Net assets at beginning of the quarter	4,130,564	3,178,358	3,092,338	119,438	10,520,698	9,050,319
Amount received on issuance of units (2020: Equity sub fund: 723,999 units; Debt sub fund: 1,753,574 units; Money market sub fund: 1,705,008 units; and Gold sub fund: 47,643 units) (2019: Equity sub fund: 1,600,553 units; Debt sub fund: 3,022,758 units; Money market sub fund: 3,748,082 units; and Gold sub fund: 85,021 units)	323,446	468,103	442,215	8,111	1,241,875	2,169,837
Amount paid on withdrawal of units (2020: Equity sub fund: 599,223 units; Debt sub fund: 1,126,845 units; Money market sub fund: 2,148,950 units; and Gold sub fund: 31,935 units) (2019: Equity sub fund: 2,363,024 units; Debt sub fund: 3,635,691 units; Money market sub fund: 2,477,160 units; and Gold sub fund: 5,527 units)	(279,131)	(300,979)	(556,954)	(5,290)	(1,142,354)	(2,262,888)
	44,315	167,124	(114,739)	2,821	99,521	(93,051)
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed (net)	5,614	(2,976)	491	(333)	2,796	(31,481)
Net realised (loss) / gain on sale of investments	75,980	2,302	2,526	-	80,808	(57,161)
Unrealised appreciation / (diminution) on 're-measurement of investments at 'fair value through profit or loss' (net)	679,924	58,460	(1,443)	-	736,941	(235,838)
Unrealised appreciation on investment in gold	-	-	-	8,049	8,049	4,448
Other net income for the quarter	(13,650)	54,457	36,109	(427)	76,489	209,651
	742,254	115,219	37,192	7,622	902,287	(78,900)
Net assets at end of the quarter	4,922,747	3,457,725	3,015,282	129,548	11,525,302	8,846,887

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements

**For AI Meezan Investment Management Limited
(Pension Fund Manager)**

Chief Executive

Chief Financial Officer

Director



**MEEZAN TAHAFFUZ PENSION FUND
CONDENSED INTERIM CONTRIBUTION TABLE (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020								Total	September 30, 2019
	Equity sub fund		Debt sub fund		Money Market sub fund		Gold sub fund			
	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	(Rupees in '000)	(Rupees in '000)
Contribution net of front end fee for the quarter										
Individuals										
- issuance / conversion / reallocation of units	<u>723,999</u>	<u>323,446</u>	<u>1,753,574</u>	<u>468,103</u>	<u>1,705,008</u>	<u>442,215</u>	<u>47,643</u>	<u>8,111</u>	<u>1,241,875</u>	<u>2,169,837</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements

**For AI Meezan Investment Management Limited
(Pension Fund Manager)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN TAHAFFUZ PENSION FUND
CONDENSED INTERIM NUMBER OF UNITS IN ISSUE (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020			
	Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund
	----- (Number of units) -----			
Total units in issue at beginning of the quarter	10,322,586	12,135,176	12,016,294	754,085
Add: Units issued / converted / reallocated during the quarter	723,999	1,753,574	1,705,008	47,643
Less: Units redeemed / converted / reallocated during the quarter	(599,223)	(1,126,845)	(2,148,950)	(31,935)
Total units in issue at the end of the quarter	<u>10,447,362</u>	<u>12,761,905</u>	<u>11,572,352</u>	<u>769,793</u>

	September 30, 2019			
	Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund
	----- (Number of units) -----			
Total units in issue at beginning of the quarter	10,821,954	11,888,635	8,848,986	646,184
Add: Units issued / converted / reallocated during the quarter	1,600,553	3,022,758	3,748,082	85,021
Less: Units redeemed / converted / reallocated during the quarter	(2,363,024)	(3,635,691)	(2,477,160)	(5,527)
Total units in issue at the end of the quarter	<u>10,059,483</u>	<u>11,275,702</u>	<u>10,119,908</u>	<u>725,678</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements

**For Al Meezan Investment Management Limited
(Pension Fund Manager)**

Chief Executive

Chief Financial Officer

Director

MEEZAN TAHAFFUZ PENSION FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Tahaffuz Pension Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as trustee. The Trust Deed was executed and approved by the Securities and Exchange Commission of Pakistan on May 30, 2007 under the Voluntary Pension System Rules, 2005 (VPS Rules). The registered office of the Pension Fund Manager of the Fund, is situated at Ground Floor, Block B Finance and Trade Centre Sarah-e-Faisal, Karachi 74400, Pakistan.

The Fund offers a saving mechanism where an individual saves from his / her income during work life in order to retain financial security and comfort in terms of regular income stream after retirement. The Fund comprises of four Shariah compliant sub funds namely Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund and Gold Sub-Fund (collectively the "Sub-Funds"). Participants are offered various investment allocation schemes depending on their investment horizon, return requirements, risk tolerance and any unique circumstances. The Fund offers six types of allocation schemes to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility, Variable Volatility and Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. Allocation scheme can be selected initially at the time of opening of account and subsequently the allocation and percentages may change twice in a financial year. The contributions from participants are invested in various instruments belonging to different asset classes to get full benefits of risk minimization through diversification.

1.2 Summary of significant investment policy for each of the Sub-Fund is as follows:

Equity Sub Fund

The Equity Sub-Fund shall invest at least 90% of net assets in listed equity securities based on quarterly average investment calculated on daily basis. Investment in single company shall not exceed 10% of net assets or paid-up capital of the investee company, whichever is lower. Surplus funds may be invested in Government Securities with maturity of less than one year or deposits with Banks which are rated not less than "A".

Debt Sub Fund

The Debt Sub-Fund shall consist of debt securities with maturity of not more than 5 years. At least 25 % of net assets of the Debt Sub-Fund shall be invested in debt securities issued by the Federal Government and up to 25 % of net assets of Debt Sub-Fund may be deposited with Banks having not less than "AA Plus" rating. However, if such debt securities issued by Federal Government are not available, the assets of Debt Sub-Fund may be deposited in Islamic Commercial Banks, having not less than "A+" rating or Islamic windows of conventional commercial Banks, having not less than "AA" rating or may be invested in Islamic bonds or Sukuks issued by entities wholly-owned by the Federal Government or in such Islamic securities which are fully guaranteed by the Federal Government.

Money Market Sub Fund

The Money Market Sub-Fund consists of short term debt instruments with weighted average maturity up to one year. Shariah Compliant Money Market Sub Fund can invest in shariah compliant government securities where the time to maturity may be up to three years.

Gold Sub Fund

The Gold Sub Fund consist of physical gold and aim to provide opportunities of capital appreciation and maximum exposure to price of gold in a Shariah Compliant manner, by investing a significant portion of net assets in deliverable gold base contracts available on Pakistan Mercantile Exchange (PMEX).

1.3 The Fund has been formed to enable the participants to contribute in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah.

1.4 The Fund is an unlisted pension scheme. Units are offered for public subscription on a continuous basis. The units are non-transferable and can be redeemed by surrendering them to the Fund at the option of the participants.

1.5 Title to the assets of the Sub Funds are held in the name of CDC as a Trustee of the Fund.

- 1.6 Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.7 The Pension Fund Manager has been assigned a quality rating of AM1 by VIS dated December 31, 2019 and AM1 by PACRA dated June 26, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.8 On March 11, 2020, the World Health Organization declared COVID-19 a pandemic. Many governments are still taking stringent steps to help contain the spread of the virus, including requiring self-isolation/ quarantine by those potentially affected, implementing social distancing measures, and controlling or closing borders and "locking-down" cities/regions or even entire countries. The Fund took all necessary measures during this COVID-19 pandemic situation for smooth execution of fund operations.

2 BASIS OF PREPARATION

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

3 STATEMENT OF COMPLIANCE

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the VPS Rules and requirements of the trust deed differ from the IFRS standards, provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the VPS Rules and requirements of the trust deed have been followed.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2020.
- 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, 2020. 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, 2020.
- 4.3 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, 2020. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

September 30, 2020 (Unaudited)						June 30, 2020 (Audited)
Note	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total
----- (Rupees in '000) -----						
	4,488	-	-	-	4,488	66,449
5.1	198,645	812,738	1,899,926	25,510	2,936,819	2,938,348
	203,133	812,738	1,899,926	25,510	2,941,307	3,004,797

5. BANK BALANCES

Current accounts	4,488	-	-	-	4,488	66,449
Savings accounts	198,645	812,738	1,899,926	25,510	2,936,819	2,938,348
	203,133	812,738	1,899,926	25,510	2,941,307	3,004,797

5.1 The balance in savings accounts carry expected profit which ranges from 1.50% to 6.58% (2020: 3.00% to 13.75%) per annum.

6. INVESTMENTS

September 30, 2020 (Unaudited)						June 30, 2020 (Audited)
Note	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total
----- (Rupees in '000) -----						
Investments by category						
At fair value through profit or loss						
Listed equity securities	4,691,643	-	-	-	4,691,643	4,029,169
Sukuk certificates	-	1,965,981	230,718	-	2,196,699	2,547,886
	4,691,643	1,965,981	230,718	-	6,888,342	6,577,055
At amortised cost						
Term deposit receipts	-	480,000	790,000	-	1,270,000	720,000
Commercial paper	-	196,676	139,781	-	336,457	232,680
	-	(1,263)	(771)	-	(2,034)	(2,034)
	4,691,643	2,641,394	1,159,728	-	8,492,765	7,527,701

6.1 Listed equity securities - at fair value through profit or loss

Held by Equity Sub-Fund

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of the investee company	As at 01 July 2020	Purchased during the quarter	Bonus / Rights issue during the quarter	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Market value as a percentage of net assets of sub-fund	Percentage of paid-up capital of investee company
	-----Number of shares-----					----- (Rupees in '000) -----			----- % -----	
Automobile Assembler										
Honda Atlas Cars	25,000	-	-	15,000	10,000	1,937	2,589	652	0.05	0.01
Millat Tractors Limited	30,893	23,150	-	-	54,043	41,977	46,761	4,784	0.95	0.11
Ghandhara Industries Limited	12,700	-	-	-	12,700	1,537	2,992	1,455	0.06	0.03
Indus Motor Company Limited	36,420	-	-	-	36,420	36,238	46,623	10,385	0.95	0.05
									2.01	0.20
Automobile Parts & Accessories										
Agriauto Industries Limited (Face value of Rs.5)	63,000	-	-	25,000	38,000	6,916	9,158	2,242	0.19	0.13
Commercial Bank										
Bank Islami Pakistan Limited	524,500	-	-	200,000	324,500	2,453	3,346	893	0.07	0.03
Cement										
D.G Khan Cement Company Limited	630,500	190,000	-	150,000	670,500	60,126	69,135	9,009	1.40	0.15
Lucky Cement Limited	645,356	-	-	20,000	625,356	288,652	404,649	115,997	8.22	0.19
Maple Leaf Cement Factory Limited	1,146,114	900,000	-	150,000	1,896,114	53,591	68,052	14,461	1.38	0.17
Kohat Cement Company Limited	718,820	80,000	-	45,000	753,820	104,927	128,707	23,780	2.61	0.38
Attock Cement Pakistan Limited	500	11,000	-	-	11,500	1,847	1,756	(91)	0.04	0.01
Cherat Cement Company Limited	510,500	-	-	141,000	369,500	32,209	43,143	10,934	0.88	0.19
Fauji Cement	1,730,000	-	-	-	1,730,000	29,202	34,392	5,190	0.70	0.13
									15.23	1.22
Chemical										
Dynea Pakistan Limited (Face value of Rs, 5 each)	-	39,000	-	-	39,000	6,622	6,938	316	0.14	0.21
Engro Polymer & Chemicals Limited	3,380,709	25,000	-	118,000	3,287,709	82,393	132,363	49,970	2.69	0.36
ICI Pakistan Limited	212,520	-	-	-	212,520	147,640	153,777	6,137	3.12	0.23
Sitara Chemical Industries Limited	36,600	-	-	-	36,600	10,142	11,773	1,631	0.24	0.17
Lotte Chemical Pakistan Limited	320,000	-	-	250,000	70,000	697	840	143	0.02	-
Sitara Peroxide Limited	816,500	-	-	816,500	-	-	-	-	-	-
Ittehad Chemical Limited	279,500	-	-	-	279,500	7,365	7,711	346	0.16	0.33
Ghani Global Holdings (formerly Ghani Gases Limited)	250,000	-	-	-	250,000	3,933	3,388	(545)	0.07	0.16
									6.44	1.46

Name of the investee company	As at 01 July 2020	Purchased during the quarter	Bonus / Rights issue during the quarter	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Market value as a percentage of net assets of sub-fund	Percentage of paid-up capital of investee company
	-----Number of shares-----				----- (Rupees in '000) -----				----- % -----	
Engineering										
K.S.B Pumps Company Limited	800	-	-	-	800	115	253	138	0.01	0.01
International Steels Limited	495,000	-	-	50,000	445,000	22,984	34,283	11,299	0.70	0.10
International Industries Limited	222,550	-	-	40,000	182,550	16,745	26,459	9,714	0.54	0.14
Mughal Iron & Steel Industries	157,500	250,000	-	-	407,500	20,568	26,194	5,626	0.53	0.16
									1.78	0.41
Fertilizer										
Engro Corporation Limited (note 6.1.2)	1,251,420	25,000	-	40,000	1,236,420	362,652	372,200	9,548	7.56	0.21
Engro Fertilizers Limited	2,922,000	200,000	-	200,000	2,922,000	177,082	177,716	634	3.61	0.22
Dawood Hercules Corporation Limited	4,000	-	-	4,000	-	-	-	-	-	-
Fatima Fertilizer	25,000	-	-	25,000	-	-	-	-	-	-
									11.17	0.43
Food and Personal Care Products										
National Foods Limited (Face value of Rs. 5)	2,080	100,000	-	-	102,080	29,845	29,156	(689)	0.59	0.14
Al-Shaheer Corporation Limited	33,160	-	-	-	33,160	379	635	256	0.01	0.02
At- Tahir Limited	9,149	-	-	-	9,149	158	194	36	-	0.01
									0.60	0.17
Glass & Ceramics										
Ghani Glass Limited	613,000	-	-	-	613,000	25,225	32,005	6,780	0.65	0.11
Tariq Glass Industries	242,900	-	-	242,900	-	-	-	-	-	-
									0.65	0.11
Leather & Tanneries										
Bata Pakistan	8,740	-	-	-	8,740	11,739	14,718	2,979	0.30	0.12
Oil and Gas Exploration Companies										
Oil and Gas Development Company Limited	2,856,200	-	-	245,000	2,611,200	284,621	270,520	(14,101)	5.50	0.06
Pakistan Oilfields Limited	702,520	-	-	23,000	679,520	238,260	286,302	48,042	5.82	0.24
Pakistan Petroleum Limited	2,687,038	260,000	-	125,000	2,822,038	247,624	259,797	12,173	5.28	0.10
Mari Petroleum Company Limited	277,584	-	-	-	277,584	343,273	380,155	36,882	7.72	0.21
									24.32	0.61
Oil and Gas Marketing Companies										
Pakistan State Oil Company Limited	1,029,740	70,000	-	-	1,099,740	176,680	220,168	43,488	4.47	0.23
Attock Petroleum Limited	150,144	-	-	-	150,144	45,824	51,271	5,447	1.04	0.15
Sui Northern Gas Pipelines Limited	2,570,600	50,000	-	500,000	2,120,600	115,985	131,074	15,089	2.66	0.33
Sui Southern Gas Company Limited	142,500	-	-	-	142,500	1,901	2,408	507	0.05	0.02
Hascol Petroleum Limited	2,588	-	-	-	2,588	35	52	17	-	-
Shell Pakistan Limited	-	10,000	-	-	10,000	2,740	2,455	(285)	0.05	0.01
Hi-Tech Lubricants	355,000	-	-	-	355,000	10,749	15,095	4,346	0.31	0.31
									8.58	1.05

Name of the investee company	As at 01 July 2020	Purchased during the quarter	Bonus / Rights issue during the quarter	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Market value as a percentage of net assets of sub-fund	Percentage of paid-up capital of investee company
	-----Number of shares-----				----- (Rupees in '000) -----			----- % -----		
Paper and Board										
Packages Limited	216,701	10,000	-	-	226,701	80,491	113,879	33,388	2.31	0.25
Cherat Packaging Limited	295,094	-	-	193,000	102,094	11,960	18,164	6,204	0.37	0.24
Century Paper	350,500	214,500	-	-	565,000	45,065	62,845	17,780	1.28	0.38
Roshan Packages Limited	200,000	-	-	-	200,000	4,484	6,936	2,452	0.14	0.14
Security Paper Limited	-	51,900	-	-	51,900	11,689	11,249	(440)	0.23	0.09
									4.33	1.10
Pharmaceuticals										
AGP Limited	938,500	-	-	-	938,500	102,991	102,297	(694)	2.08	0.34
GlaxoSmithKline Consumer Healthcare	112,500	-	-	-	112,500	30,564	32,587	2,023	0.66	0.10
The Searle Company Limited	321,325	155,000	-	20,000	456,325	100,782	116,961	16,179	2.38	0.21
Highnoon Laboratories Limited	29,986	-	-	-	29,986	15,031	18,411	3,380	0.37	0.09
Ferozsans (Lab)	-	25,000	-	-	25,000	7,696	9,942	2,246	0.20	0.08
									5.69	0.82
Power Generation & Distribution										
The Hub Power Company Limited	3,871,807	-	-	1,464,264	2,407,543	174,547	188,896	14,349	3.84	0.19
K-Electric Limited (Face value Rs. 3.5)	25,580,500	-	-	1,300,000	24,280,500	73,084	102,221	29,137	2.08	0.09
									5.92	0.28
Textile Composite										
Nishat Mills Limited	347,700	340,000	-	40,000	647,700	58,493	65,463	6,970	1.33	0.18
Textile Weaving										
Feroze1888 Mills Limited	295,000	-	-	-	295,000	24,131	30,875	6,744	0.63	0.08
Technology & Communication										
Pakistan Telecommunication Company Limited "A"	208,000	1,000,000	-	-	1,208,000	11,747	13,058	1,311	0.27	0.03
Avanceon Limited	143,550	300,000	-	250,000	193,550	11,723	13,010	1,287	0.26	0.09
Systems Limited	563,550	-	-	167,000	396,550	72,838	107,877	35,039	2.19	0.32
Netsol Technologies Limited	55,500	-	-	55,000	500	25	30	5	-	-
									2.72	0.44
Vanaspati & Allied Industries										
Unity Foods Limited	13,169	-	-	13,169	-	-	-	-	-	-
Textile & Apparel										
Interloop Limited	2,318,500	-	-	250,000	2,068,500	90,849	138,693	47,844	2.82	0.24

Name of the investee company	As at 01 July 2020	Purchased during the quarter	Bonus / Rights issue during the quarter	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss) as at September 30, 2020	Market value as a percentage of net assets of sub-fund	Percentage of paid-up capital of investee company
	-----Number of shares-----					----- (Rupees in '000) -----			----- % -----	
Miscellaneous										
Shifa International Hospital Limited	-	47,800	-	-	47,800	11,472	10,648	(824)	0.22	0.08
Synthetic Products Enterprises Limited	-	368,000	-	-	368,000	16,469	16,398	(71)	0.33	0.42
Total						4,011,719	4,691,643	679,924	0.55	0.50

6.1.1 Net assets are as defined in Rule 2(1)(m) of VPS Rules.

6.1.2 145,000 shares (2020 : 145,000 shares) of Engro Corporation Limited having market value of Rs. 43.65 million as at September 30, 2020 (2020: Rs. 42.47 million) , have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

6.1.3 The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2020.As at September 30,2020 the bonus shares of the Fund withheld by certain companies at the time of declartion of bonus shares amounted to Rs. 6.12 million.

6.2 Sukuk certificates - At fair value through profit or loss

6.2.1 Held by Debt Sub-Fund

Name of the Security	Note	As at July 01,	Purchases	Sales /	As at	Carrying	Market value as	Unrealised gain /	Market value as
		2020	during the	Matured	September	value as at	at September 30,	(loss) as at	a percentage of
			quarter	during the	30,2020	September	2020	September 30,	Net Assets
				quarter		30, 2020	(Rupees in '000)	2020	--%--
			-----Number of certificates-----						
Property & Real Estate									
Eden Housing Limited	6.2.1.1	500	-	-	500	-	-	-	-
Leasing Companies									
Security Leasing Corporation Limited II	6.2.1.1	154	-	-	154	-	-	-	-
Fertilizer									
Fatima Fertilizer Company Limited	6.2.1.1	24,492	-	-	24,492	47,737	47,805	68	1.38
Banks									
Dubai Islamic Bank Pakistan Limited	6.2.1.1	57	-	-	57	58,495	58,436	(59)	1.69
Pharmaceuticals									
AGP Limited	6.2.1.1	425	-	3	422	17,524	17,645	121	0.51
Power Generation & Distribution									
K-Electric Limited	6.2.1.1	-	-	-	-	-	-	-	-
K-electric Limited	6.2.1.1	8,000	-	8,000	-	-	-	-	-
K-electric Limited	6.2.1.1	-	8,000	2,800	5,200	26,000	26,662	662	0.77
Engro Powergen Thar (Private) Limited	6.2.3 & 6.2.1.1	12,000	-	-	12,000	60,180	59,875	(305)	1.73
Pakistan Energy Sukuk I	6.2.1.1	130,000	-	-	130,000	650,000	708,500	58,500	20.49
Pakistan Energy Sukuk II	6.2.1.1	80,000	12,000	-	92,000	460,240	461,411	1,171	13.34
Cement & Construction									
Javedan Corporation Limited	6.2.1.1	250	-	-	250	24,999	24,941	(58)	0.72
Steel & Allied Products									
Agha Steels Industries Limited	6.2.3 & 6.2.1.1	50	-	-	50	50,000	49,684	(316)	1.44
Chemicals									
Engro Polymer & Chemicals Limited	6.2.1.1	250	-	250	-	-	-	-	-
Miscellaneous									
Shakarganj Foods Product Limited	6.2.1.1	15	-	-	15	15,300	15,212	(88)	0.44
International Brand Limited	6.2.1.1	393	-	-	393	38,920	39,352	432	1.14
Government Securities									
GOP-Ijarah sukuk XX	6.2.1.1	1,870	-	-	1,870	181,390	180,137	(1,253)	5.21
GOP-Ijarah sukuk XXI	6.2.1.1	4,500	-	2,750	1,750	175,473	175,438	(35)	5.07
GOP-Ijarah sukuk XXIII VRR	6.2.1.1	-	1,000	-	1,000	100,000	99,620	(380)	2.88
GOP-Ijarah sukuk XXIII - FRR	6.2.1.1	-	1,500	1,500	-	-	-	-	-
Non-Performing Investments						1,263	1,263		
Total						1,907,521	1,965,981	58,460	

6.2.1.1 Significant terms and conditions of Sukuk certificates outstanding as at September 30, 2020 are as follows:

Name of security	Original principal (Rupees per certificate)	Mark-up rate (per annum)	Issue date	Maturity date
Eden Housing Limited	984.38	-	31-Dec-07	31-Dec-12
Security Leasing Corporation Limited II	5,000	-	19-Sep-07	19-Sep-12
Fatima Fertilizer Company Limited	5,000	6 months KIBOR + 1.10%	28-Nov-16	28-Nov-21
Dubai Islamic Bank Pakistan Limited	1,000,000	6 months KIBOR + 0.50%	14-Jul-17	14-Jul-27
AGP Limited	1,000,000	3 months KIBOR + 1.30%	09-Jun-17	09-Jun-22
K-electric Limited	5,000	3 months KIBOR + 1.70%	03-Aug-20	03-Aug-26
Engro Powergen Thar (Private) Limited	5,000	3 months KIBOR + 1.10%	01-Jul-19	01-Jul-24
Pakistan Energy Sukuk I	10,000	6 months KIBOR + 0.80%	01-Mar-19	01-Mar-29
Pakistan Energy Sukuk II	5,000	6 months KIBOR Less base rate of 0.0%	20-May-19	20-May-29
Javedan Corporation Limited	100,000	6 months KIBOR + 1.75%	04-Oct-18	04-Oct-26
Agha Steels Industries Limited	1,000,000	3 months KIBOR + 0.80%	09-Oct-18	09-Oct-24
Engro Polymer & Chemicals Limited	1,00,000	3 months KIBOR + 0.90%	11-Jan-19	11-Jul-26
Shakarganj Foods Product Limited	1,000,000	3 months KIBOR + 1.75%	10-Jul-18	10-Jul-24
International Brand Limited	100,000	12 months KIBOR + 0.50%	15-Nov-17	15-Nov-21
GOP-Ijarah sukuk XX	100,000	Weighted average yield of 6 months T-Bills	30-Apr-20	30-Apr-25
GOP-Ijarah sukuk XXI	100,000	Weighted average yield of 6 months T-Bills	29-May-20	29-May-25
GOP-Ijarah sukuk XXIII - VRR	100,000	Weighted average yield of 6 months T-Bills	29-Jul-20	29-Jul-25
GOP-Ijarah sukuk XXIII - FRR	100,000	Weighted average yield of 6 months T-Bills	29-Jul-20	29-Jul-25

6.2.2 Held by Money Market Sub-Fund

Name of the Security	Note	As at July 01, 2020	Purchases during the quarter	Sales / Matured during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised (loss) / gain as at September 30, 2020	Market value as a percentage of Net Assets
			-----Number of certificates-----			'----- (Rupees in '000) -----			---%---
Leasing Companies									
Security Leasing Corporation Limited II		154	-	-	154	-	-	-	-
Government Securities									
GOP-Ijarah sukuk XX	6.2.2.1	1,870	-	-	1,870	181,390	180,137	(1,253)	1.56
GOP-Ijarah sukuk XXI	6.2.2.1	3,000	-	3,000	-	-	-	-	-
GOP-Ijarah sukuk XXIII - VRR	6.2.2.1	-	500	-	500	50,000	49,810	(190)	0.43
Non-Performing Investments						771	771		
Total						232,161	230,718	(1,443)	

6.2.2.1 Significant terms and conditions of Sukuk certificates outstanding as at September 30, 2020 are as follows:

Name of security	Original principal (Rupees per certificate)	Mark-up rate (per annum)	Issue date	Maturity date
GOP-Ijarah sukuk XX	100,000	Weighted average yield of 6 months T-Bills	30-Apr-20	30-Apr-25
GOP-Ijarah sukuk XXI	100,000	Weighted average yield of 6 months T-Bills	29-May-20	29-May-25
GOP-Ijarah sukuk XXIII - VRR	100,000	Weighted average yield of 6 months T-Bills	29-Jul-20	29-Jul-25

6.2.3 The Fund has applied discretionary mark-down on September 21, 2020 to the fair value of the security. Post to discretionary mark-down the price of Agha Steel Industries Limited is increased from Rs. 95.6409 (MUFAP Price) to Rs. 99.3688 per unit and Engro Powergen Thar Pvt. Limited is increased from Rs.98.1943 (MUFAP Price) to Rs. 99.7924 per unit.

6.3 Term deposit receipts - at amortised cost

6.3.1 Held by Debt Sub-Fund

Name of the Bank	Rating	Maturity date	Profit rate per annum	As at July 01, 2020	TDR's placed during the quarter	Matured during the quarter	As at September 30, 2020	Market Value as a Percentage of Net Assets
----- (Rupees in '000) -----								
Orix Modaraba	AA+	April 29, 2021	7.21%	180,000	-	-	180,000	5.21
Bank Islami Limited	A+	October 26, 2020	6.80%	-	300,000	-	300,000	8.68
				180,000	300,000	-	480,000	

6.3.2 Held by Money Market Sub-Fund

Name of the Bank	Rating	Maturity date	Profit rate per annum	As at July 01, 2020	TDR's placed during the quarter	Matured during the quarter	As at September 30, 2020	Market Value as a Percentage of Net Assets
Orix Modaraba	AA+	Oct 29, 2020	7.21%	40,000	-	-	40,000	1.33
United Bank Limited	AAA	July 02, 2020	7.35%	500,000	-	500,000	-	-
United Bank Limited	AAA	August 03, 2020	6.45%	-	500,000	500,000	-	-
United Bank Limited	AAA	September 03, 2020	6.45%	-	500,000	500,000	-	-
United Bank Limited	AAA	October 03, 2020	6.50%	-	500,000	-	500,000	16.58
Bank Islami Limited	A+	October 26, 2020	6.80%	-	250,000	-	250,000	8.29
				540,000	1,750,000	1,500,000	790,000	

6.4 Commercial Papers - at amortised cost

6.4.1 Held by Debt Sub-Fund

Name of Company	Note	Maturity Date	As at July 01, 2020	Placements made during the quarter	Income Accrued	Matured during the quarter	As at September 30, 2020	Market Value as a Percentage of Net Assets
----- (Rupees in '000) -----								
K-electric Limited CP	6.4.1.1	Oct 06, 2020	96,950	-	2,893	-	99,843	2.89
K-electric Limited CP	6.4.1.2	Feb 26, 2021	-	96,063	770	-	96,833	2.80
			96,950	96,063	3,663	-	196,676	

6.4.1.1 This commercial paper has been placed at discount at a rate of 12.18% (6 months kibar plus 1.15%)% and is being amortised over a period of 185 days.

6.4.1.2 This commercial paper has been placed at discount at a rate of 8.13% (6 months kibar plus 0.95%)% and is being amortised over a period of 184 days.

6.4.2 Held by Money Market Sub-Fund

Name of Company	Note	Maturity Date	As at July 01, 2020	Placements made during the quarter	Income Accrued	Matured during the quarter	As at September 30, 2020	Market Value as a percentage of Net Assets
----- (Rupees in '000) -----								
K-electric Limited CP	6.4.2.1	Oct 06, 2020	135,730	-	4,051	-	139,781	4.64
			135,730	-	4,051	-	139,781	

6.4.2.1 This commercial paper has been placed at discount at a rate of 12.18% (6 months kibar plus 1.15%) and is being amortised over a period of 185 days.

6.5 Investment in gold

	As at July 01, 2020	Purchases during the quarter	Sales during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain as at September 30, 2020	Market Value as a Percentage of Net Assets
'----- (Quantity in Tola) -----' '----- (Rupees'000) -----'								
Tola Gold	926	-	-	926	97,926	105,975	8,049	81.80
Total	926	-	-	926	97,926	105,975	8,049	

6.5.1 The Pakistan Mercantile Exchange (PMEX) delivers refined Gold in 10 TOLA Bars. These are physically held by PMEX.

6.5.2 The investment in gold of Rs. 105.975 million has been measured at fair value based on the quoted market price in active markets.

7. DEPOSITS AND OTHER RECEIVABLES

	September 30, 2020 (Unaudited)					June 30, 2020 (Audited)
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total
	(Rupees in '000)					
Security deposits	2,600	100	100	-	2,800	2,800
Profit receivable on saving accounts with banks and Term Deposits	2,512	10,431	9,938	39	22,920	19,281
Profit receivable on sukuks certificates	-	35,275	5,782	-	41,057	52,541
Advance tax	4,747	-	-	-	4,747	4,747
	9,859	45,806	15,820	39	71,524	79,369

8. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	September 30, 2020 (Unaudited)					June 30, 2020 (Audited)
		Equity-sub fund	Debt-sub fund	Money Market sub-fund	Gold sub-fund	Total	Total
		(Rupees in '000)					
Provision for Sindh Workers' Welfare Fund	8.1	58,046	18,517	10,862	1,077	88,502	70,088
Federal Excise Duty on remuneration of the Pension Fund Manager	8.2	15,436	8,816	2,449	-	26,701	26,701
Sindh Sales Tax on Federal Excise Duty on remuneration of the Pension Fund Manager	8.3	1,800	962	242	-	3,004	3,004
Charity payable		6,420	-	-	-	6,420	5,630
Brokerage payable		4,165	220	69	-	4,454	4,159
Custodian Charges Payable		-	-	-	404	404	238
Amount received against units to be issued		-	-	-	-	-	62,711
		85,867	28,515	13,622	1,481	129,485	172,531

8.1 The status of Sindh Workers' Welfare Fund is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Sindh Workers' Welfare Fund not been made, the net asset value per unit as at September 30, 2020 would have been higher by Rs. 5.56, Rs. 1.45, Re. 0.94 and Rs. 1.40 per unit (June 30, 2020: Rs. 4.16, Rs. 1.33, Re. 0.84 and Rs. 1.22 per unit) for Equity Sub Fund, Debt Sub Fund, Money Market Sub Fund and Gold Sub Fund respectively.

8.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2020. Had the provision of Federal Excise Duty not being made, the net asset value per unit as at September 30, 2020 would have been higher by Rs. 1.65 (June 30, 2020: Rs. 1.50) per unit, Re. 0.77 (June 30, 2020: Re. 0.73) per unit and Re. 0.23 (June 30, 2020: Re. 0.20) per unit for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively.

8.3 It represents amount payable in respect of Sindh Sales Tax at the rate of 13 percent (2020: 13 percent) on remuneration of the Pension Fund Manager through the Sindh Sales Tax on Services Act, 2011, being Sindh Sales Tax accrued on Federal Excise Duty (FED) on remuneration of the Pension Fund Manager as fully explained in note 8.2 above.

9. CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

10.1 Connected persons and related parties include Al Meezan Investment Management Limited being the Pension Fund Manager, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Pension Fund Manager, Directors and executives of the Pension Fund Manager, other collective investment schemes managed by the Pension Fund Manager, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Pension Fund Manager due to common directorship, post employment benefit funds of the Pension Fund Manager and unit holders holding ten percent or more of the Sub-Fund's net assets.

10.2 The transactions with connected persons are carried out in the normal course of business, at contracted rates and terms determined in accordance with the market norms.

10.3 Remuneration of the Pension Fund Manager is determined in accordance with the provisions of the provisions of VPS Rules, 2005 and the Trust Deed.

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

10.5 Amount outstanding as at quarter end are as follows:

	September 30, 2020 (Unaudited)					June 30, 2020 (Audited) Total
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	
----- (Rupees in '000) -----						
Al Meezan Investment Management Limited						
(Al Meezan) - Pension Fund Manager						
Remuneration payable	6,322	4,235	3,680	162	14,399	1,774
Sindh Sales Tax on management fee	822	551	478	21	1,872	231
Investments as at September 30, 2020: (Equity sub fund: 260,077 units; Gold Sub Fund: 300,000) as at June 30, 2020 (Equity sub fund: 260,077 units; Gold Sub Fund: 300,000 units)	122,547	-	-	50,487	173,034	151,585
Meezan Bank Limited (MBL)						
Bank balance	49,951	906	1,914	18,830	71,601	132,052
Profit receivable on saving account	181	12	26	9	228	210
Central Depository Company of Pakistan Limited (CDC) - Trustee						
Trustee fee payable	335	224	195	8	762	697
Sindh Sales Tax on trustee fee payable	44	29	25	1	99	91
Deposits	100	100	100	-	300	300
Directors and Executives of the Pension Fund Manager						
Investments as at September 30, 2020: (Equity sub fund: 1,117,331 units; Debt Sub Fund: 594,510 units; Money Market Sub Fund: 198,291 units; Gold Sub Fund: 214,904 Units) as at June 30, 2020: (Equity sub fund: 1,083,499 units; Debt sub fund: 591,502 units; Money Market sub fund: 198,447 units; Gold Sub Fund : 209,972 units)	526,481	161,077	51,667	36,166	775,391	672,808

10.6 Detail of transactions with connected person and related parties are as follow:

	For the quarter ended September 30,2020 (unaudited)					For the quarter ended September 30,2019 (unaudited)
	Equity sub fund	Debt sub fund	Money Market sub fund	Gold sub fund	Total	Total
----- (Rupees in '000) -----						
Al Meezan Investment Management Limited						
(Al Meezan) - Pension Fund Manager						
Remuneration for the quarter	18,263	12,516	11,451	487	42,717	32,869
Sindh Sales Tax on management fee	2,374	1,627	1,489	63	5,553	4,273
Meezan Bank Limited (MBL)						
Profit on savings account	352	17	8	130	507	1,078
Term deposit receipt placed	-	-	-	-	-	800,000
Profit on term deposit receipt	-	-	-	-	-	9,468
Central Depository Company of Pakistan Limited (CDC) - Trustee						
Remuneration for the quarter	977	670	613	26	2,286	1,894
Sindh Sales Tax on trustee fee	127	87	80	3	297	246
CDS Charges for the quarter	31	2	2	-	35	93
Directors and Executives of the Pension Fund Manager						
Units issued (Equity Sub Fund: 34,985 units; Debt Sub Fund: 4,841 units; Money Market Sub Fund: 388 units; Gold sub fund: 5,039 units)	15,008	1,300	101	853	17,262	725,218
Units redeemed / reallocated (Equity Sub Fund 1,153 units; Debt Sub Fund: 1,833 units; Money Market Sub Fund: 544 units; Gold sub fund: 107 units)	557	494	141	18	1,210	721,503

11. 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.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

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

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

September 30, 2020 (Unaudited)

Level 1	Level 2	Level 3	Total
---------	---------	---------	-------

(Rupees in'000)

Financial assets - measured at fair value

- Listed equity securities	4,691,643	-	-	4,691,643
- Sukuk certificates	-	2,196,699	-	2,196,699
	<u>4,691,643</u>	<u>2,196,699</u>	<u>-</u>	<u>6,888,342</u>

June 30, 2020 (Audited)

Level 1	Level 2	Level 3	Total
---------	---------	---------	-------

(Rupees in'000)

Financial assets - measured at fair value

- Listed equity securities	4,029,169	-	-	4,029,169
- Sukuk certificates	-	2,545,852	-	2,545,852
	<u>4,029,169</u>	<u>2,545,852</u>	<u>-</u>	<u>6,575,021</u>

12. TAXATION

The income of the Fund is exempt from income tax under clause 57(3) (viii) of part I of the Second Schedule to the Income Tax Ordinance, 2001. Therefore, no provision has been made for current and deferred taxation in these financial statements.

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

13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial informations were authorised for issue on **October 21, 2020** by the Board of Directors of the Pension Fund Manager.

14. GENERAL

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

For AI Meezan Investment Management Limited
(Pension Fund Manager)

Chief Executive

Chief Financial Officer

Director

BRANCH NETWORK

- 
FTC Branch, Karachi:
 Ground Floor, Finance and Trade Centre, Shahrah-e-Faisal, Karachi
 Tel: (92-21) 111-633-926, 35630722-26
- 
Sales Hub, Karachi:
 Banglow # 43-5-E/2, Shah Abdul Latif Road, PECHS Block 6, Karachi.
 Tel: (92-21) 34559262-5
- 
North Nazimabad Branch, Karachi:
 Shop # G-1, G-2, Ground Floor, Ajwa Residency, B-1, Block-L, North Nazimabad, Karachi
 Tel: (92-21) 36641491-4
- 
Bahadurabad Branch, Karachi:
 Shop # 4, Ground floor, Adam Arcade, B.M.C.H Society, Shaheed-e-Millat Road, Block #3, Karachi
 Tel: (92-21) 34923112-6
- 
DHA Branch, Karachi:
 Shop # 01 Ground Floor, Sunset Commercial St-02, Khayaban e Jami, Near Baitussalam Masjid, Phase IV, D.H.A Karachi.
 Tel: (92-21) 35802411-4
- 
Gulshan-e-Iqbal Branch, Karachi:
 Shop # 02, Ground Floor, Shelozon Center, Block 15, Gulshan-e-Iqbal Karachi.
 Tel: (92-21) 34990491-4
- 
Site Area Branch, Karachi:
 Shop # 05, plot # B/9-D, Main Estate Avenue, Site Area Karachi.
 Tel: (92-21) 32570051-4
- 
DHA, Badar Commercial Branch, Karachi:
 Plot # 8C, Shop # 03 , Street # 10, Badar Commercial, DHA phase V, Karachi.
 Tel: (92-21) 35171381-4, 021-37131680-1, 021-37131683-4
- 
Gulistan-e-Jauhar Branch, Karachi:
 Plot # B11, Shop # 06, Ground Floor, Alam Shah Bukhari Apartment (Right Opposite Hilltop Banquet Hall), Block -19, Gulistan-e-Jauhar, Karachi.
 Tel: (92-21) 34187181-84

- 
Clifton Branch, Karachi:
 Shop # 3, ground Floor, Plot # D-39 , Tabba Tower Gizri Road, Karachi
 Tel: (92-21) 35155219, 021-35155220, 021-35155221
- 
Hyderabad Branch:
 Shop # A-1 , 1 & 2, Mezzanine Floor Shifa Heaven, Main Auto Bhan Road Hyderabad
 Tel:(92-22) 3821277-80
- 
Gulberg Branch, Lahore:
 Ground Floor, Leeds Centre, Gulberg III, Main Boulevard, Lahore
 Tel: (92-42) 111-633-926, 042-35783608-12, 042-32560548
- 
DHA Branch, Lahore:
 1st Floor, Meezan Bank T Block Branch, Plot No. 7, CCA-2, T Block, Phase II, DHA Lahore.
 Tel: (92-42) 35747060-3, 042-32560125
- 
Johar Town Branch, Lahore:
 Plot No.39, Block-L, M.A. Johar Town Scheme, Abdul Haq Road, Lahore.
 Tel: (92-42) 35290585-6, 042-35290588
- 
Islamabad Branch:
 Office No 7 Ground Floor, Buland Markaz Jinnah Avenue Blue Area, Islamabad.
 Tel: (92-51) 2801471-73
- 
Rawalpindi Branch:
 Plot # 17, Zubair Plaza, 1st Floor, Chaklala Scheme III, Main Commercial Area Rawalpindi Cantt, Rawalpindi.
 Tel: (92-51) 5766364-6
- 
Faisalabad Branch:
 First Floor, Taj Plaza, Kotwali Road, Faisalabad
 Tel: (92-41) 32412371-4
- 
Faisalabad Branch (Susan Road) :
 Shop # 27, First Floor Plot # 27, Susan Road Near Chenab Market Faisalabad
 Tel: 041-8503267, 041-8503268, 041-8503269, (92-41)5250001

BRANCH NETWORK

- 
Peshawar Branch:
 Office No 6-D , Ground Floor, 6 Saddar Road , Peshawar Cantt, Peshawar.
 Tel: (92-91) 5271911-14
- 
Multan Branch:
 1st Floor, Meezan Bank Rasheedabad Chowk Branch, Aneesa Plaza Rasheedabad Chowk, Khanewal Road Multan.
 Tel: (92- 61) 6305911-5
- 
Abbottabad Branch:
 Office No 2, 3rd Floor Zaman Plaza ,Near Ayub Medical Complex ,Mansehra Road, Abbottabad.
 Tel: (0992)-414123-24
- 
Gujranwala Branch:
 Ground Floor, 387-A, Model Town, Gujranwala
 Tel: (92-55) 842205-8
- 
Swat Branch:
 Mezzanine Floor, Sultan e Room Plaza, Main G.T Road, Mingora Swat
 Tel: (92-946) 714023-6
- 
Sialkot Branch:
 Second floor Meezan Bank, Qayum plaza, Aziz Shaheed Road, Sialkot Cant, Sialkot
 Tel: (92-52) 4290460-2
- 
Gujrat Branch:
 P-1037, Ground Floor, G.T Road, IX Block, Gujrat
 Tel: (92-53) 3724766-67
- 
Bahawalpur Branch:
 Shop # 27, Ground Floor Liberty Square, Fuji Basti Chowk, Airport Road, Bahawalpur Cantt
 Tel: (92-301) 1121912
- 
Quetta Branch:
 1st floor Mega Trade Center, Ward No.18, Tappa Urban No.1, Shahrah-e-iqbal, Manan Chowk, Tehsil & District Quetta
 Tel:(92-81) 2824156-58





Available on Social Media



SMS "invest" to 6655
0800 - HALAL (42525)
www.almeezangroup.com



A subsidiary of

Meezan Bank
The Premier Islamic Bank

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