



Al Meezan
Investment Management Ltd.

KANJUT SAR

Evaluating time horizons are critical for investments, just like climbing mountains.

Height 7,760 meters,
belongs to the range Hispar Karakoram



MEEZAN ISLAMIC INCOME FUND (MIIF)

Meezan Islamic Income Fund is Pakistan's first Shariah Compliant income fund scheme. The purpose of Meezan Islamic Income Fund is to provide investors with a high and stable rate of current income consistent with long term preservation of capital in a Shariah Compliant way. A secondary objective is to take advantage of opportunities to realize capital appreciation.



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

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

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Mr. Salman Muslim

BOARD AUDIT COMMITTEE

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

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

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

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Mohammad Shoaib, CFA	Member
Mr. Faiz ur Rehman	Subject Matter Expert

TRUSTEE

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

AUDITORS

EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road,
P.O. Box 15541, Karachi 75530

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited
Al Baraka Islamic Bank B.S.C (E.C)
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited -Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking

MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
Samba Bank Limited
Sindh Bank Limited
Soneri Bank Limited - Islamic Banking
The Bank Of Punjab - Islamic Banking
The Bank Of Khyber - Islamic Banking
UBL Ameen - Islamic Banking

LEGAL ADVISER

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

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2022

		September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
	Note	(Rupees in '000)	
Assets			
Balances with banks	5	5,961,493	3,440,427
Investments	6	12,034,819	15,097,091
Receivable against conversion of units		54,347	86,611
Advance, deposits, prepayments and other receivables		<u>630,857</u>	<u>325,582</u>
Total assets		<u>18,681,516</u>	<u>18,949,711</u>
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	32,249	13,144
Payable to Central Depository Company of Pakistan Limited - Trustee		1,311	1,408
Payable to the Securities and Exchange Commission of Pakistan		961	5,316
Payable to Meezan Bank Limited		1,289	1,164
Payable against conversion and redemption of units		26,860	65,446
Accrued expenses and other liabilities	8	<u>60,075</u>	<u>253,798</u>
Total liabilities		<u>122,745</u>	<u>340,276</u>
Net assets		<u>18,558,771</u>	<u>18,609,435</u>
Unit holders' fund (as per statement attached)		<u>18,558,771</u>	<u>18,609,435</u>
Contingencies and commitments	9	(Number of units)	
Number of units in issue		<u>349,514,494</u>	<u>361,122,076</u>
		(Rupees)	
Net asset value per unit		<u>53.0987</u>	<u>51.5323</u>

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

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

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	<u>September 30,</u>	
	<u>2022</u>	<u>2021</u>
Note	(Rupees in '000)	
Income		
Profit on sukuk certificates and commercial papers	492,218	335,361
Profit on certificates of musharakah	-	22,791
Net realised (loss) / gain on sale of investments	(14,003)	735
Profit on saving accounts with banks	213,294	206,160
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)	-	130,733
Other income	46	96
	<u>691,555</u>	<u>695,876</u>
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1 & 6.1.2 (61,068)	56,349
Total income	<u>630,487</u>	<u>752,225</u>
Expenses		
Remuneration of Al Meezan Investment Management Limited - Management Company	7.1 24,031	37,627
Sindh Sales Tax on remuneration of the Management Company	3,124	4,891
Allocated expenses	7.2 7,209	11,288
Selling and marketing expense	7.3 19,225	22,572
Remuneration of Central Depository Company of Pakistan Limited - Trustee	3,605	5,630
Sindh Sales Tax on remuneration of the Trustee	469	732
Annual fee to the Securities and Exchange Commission of Pakistan	961	1,505
Auditors' remuneration	193	231
Fees and subscription	359	354
Legal and professional charges	-	184
Brokerage expense	441	212
Bank and settlement charges	31	948
Provision against sukuk	-	45,000
Printing expense	18	-
Total expenses	<u>59,666</u>	<u>131,174</u>
Net income for the quarter before taxation	<u>570,821</u>	<u>621,051</u>
Taxation	12 -	-
Net income for the quarter after taxation	<u>570,821</u>	<u>621,051</u>
Allocation of net income for the quarter		
Net income for the quarter after taxation	570,821	621,051
Income already paid on units redeemed	(63,001)	(53,783)
	<u>507,820</u>	<u>567,268</u>
Accounting income available for distribution		
- Relating to capital gains	-	57,084
- Excluding capital gains	507,820	510,184
	<u>507,820</u>	<u>567,268</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**



Meezan
Islamic Income
Fund

	<u>September 30,</u>	
	<u>2022</u>	<u>2021</u>
	(Rupees in '000)	
Net income for the quarter after taxation	570,821	621,051
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u><u>570,821</u></u>	<u><u>621,051</u></u>

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

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

Chief Executive

Chief Financial Officer

Director

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	September 30, 2022			September 30, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the quarter	18,347,819	261,616	18,609,435	27,004,995	241,180	27,246,175
Issuance of 94,425,728 units (2021: 230,496,822 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	4,865,975	-	4,865,975	11,864,501	-	11,864,501
- Element of income	66,558	-	66,558	90,182	-	90,182
Total proceeds on issuance of units	4,932,533	-	4,932,533	11,954,683	-	11,954,683
Redemption of 106,033,310 units (2021: 184,793,965 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	5,464,140	-	5,464,140	9,512,011	-	9,512,011
- Element of loss	26,877	63,001	89,878	37,277	53,783	91,060
Total payments on redemption of units	5,491,017	63,001	5,554,018	9,549,288	53,783	9,603,071
Total comprehensive income for the quarter	-	570,821	570,821	-	621,051	621,051
Distribution during the quarter	-	-	-	-	-	-
	-	570,821	570,821	-	621,051	621,051
Net assets at the end of the quarter	17,789,335	769,436	18,558,771	29,410,390	808,448	30,218,838
Undistributed income brought forward						
- Realised income		262,605			148,151	
- Unrealised (loss) / income		(989)			93,029	
		261,616			241,180	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains		-			57,084	
- Excluding capital gains		507,820			510,184	
		507,820			567,268	
Undistributed income carried forward		769,436			808,448	
Undistributed income carried forward						
- Realised income		830,504			752,099	
- Unrealised (loss) / income		(61,068)			56,349	
		769,436			808,448	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the quarter			51.5323			51.4736
Net assets value per unit at the end of the quarter			53.0987			52.5521

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, 2022



Meezan
 Islamic Income
 Fund

	September 30,	
	2022	2021
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	570,821	621,051
Adjustments for		
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	61,068	(56,349)
	<u>631,889</u>	<u>564,702</u>
Decrease / (increase) in assets		
Investments - net	3,001,204	(2,016,171)
Receivable against sale of investments	-	506
Advance, deposits, prepayments and other receivables	(305,275)	(190,540)
	2,695,929	(2,206,205)
Decrease in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	19,105	7,573
Payable to Central Depository Company of Pakistan Limited - Trustee	(97)	(327)
Payable to the Securities and Exchange Commission of Pakistan	(4,355)	(5,460)
Payable to Meezan Bank Limited	125	1,138
Accrued expenses and other liabilities	(193,723)	(335,614)
	(178,945)	(332,690)
Net cash generated from / (used in) operating activities	<u>3,148,873</u>	<u>(1,974,193)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	4,964,797	11,928,552
Payments against redemption and conversion of units	(5,592,604)	(10,520,057)
Dividend paid	-	(36,220)
Net cash (used in) / generated from financing activities	(627,807)	1,372,275
Net increase / (decrease) in cash and cash equivalents during the quarter	<u>2,521,066</u>	<u>(601,918)</u>
Cash and cash equivalents at the beginning of the quarter	3,440,427	12,514,171
Cash and cash equivalents at the end of the quarter	<u><u>5,961,493</u></u>	<u><u>11,912,253</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 INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

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 unit holders 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 Credit Rating Company Limited dated December 27, 2021 (2021: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2022 (2021: 'AM1' dated June 23, 2021). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of A+(f) by VIS Credit Rating Company Limited dated December 27, 2021 (2021: A+(f) dated January 12, 2021).
- 1.5** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund 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 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, 2022.

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, 2022.

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, 2022.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2022.

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, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	September 30,	June 30,
		2022 (Unaudited)	2022 (Audited)
		(Rupees in '000)	
In saving accounts	5.1	5,961,449	3,440,383
In current accounts		44	44
		5,961,493	3,440,427

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 16.30% per annum (June 30, 2022: 3.00% to 16.25% per annum).

6. INVESTMENTS

Investments - 'at fair value through profit or loss'

Sukuk certificates	6.1	12,034,819	14,544,888
Commercial papers	6.2	-	552,203
		12,034,819	15,097,091
6.1 Sukuk certificates			
Government securities	6.1.1	8,287,106	10,538,677
Corporate sukuk certificates	6.1.2	3,747,713	4,006,211
		12,034,819	14,544,888

6.1.1 Government securities

Name of the security	Profit payments / principal redemptions date	Issue date date	Maturity date	Profit rate	As at July 1, 2022	Purchases during the quarter	Sales / maturity during the quarter	As at September 30, 2022	Carrying value as at September 30, 2022	Market value as at September 30, 2022	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 - XIX - VRR	Semi-annually / At maturity	May 29, 2020	May 29, 2025	Weighted average 6 months T-Bills	2,000	-	2,000	-	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XX - VRR	Semi-annually / At maturity	June 24, 2020	June 24, 2025	Weighted average 6 months T-Bills	2,340	-	2,340	-	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXI - VRR	Semi-annually / At maturity	December 9, 2020	December 9, 2025	Weighted average 6 months T-Bills	1,735	-	1,735	-	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXIV - VRR	Semi-annually / At maturity	October 29, 2021	October 29, 2026	Weighted average 6 months T-Bills	5,000	-	5,000	-	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXV - VRR	Semi-annually / At maturity	April 27, 2022	April 27, 2027	Weighted average 6 months T-Bills	6,800	-	6,400	400	39,872	39,856	(16)	0.21	0.33	
GoP Ijarah Sukuk Certificates - XI - FRR	Semi-annually / At maturity	December 15, 2021	December 15, 2026	Weighted average 6 months T-Bills	5,000	-	-	5,000	480,000	480,000	-	2.59	3.99	
Pakistan Energy Sukuk II	Semi-annually / At maturity	May 21, 2020	May 21, 2030	6 months KIBOR plus base rate of (0.10%)	1,643,450	-	90,000	1,553,450	7,821,621	7,767,250	(54,371)	41.85	64.54	
Total as at September 30, 2022									8,341,493	8,287,106	(54,387)	44.65	68.86	
Total as at June 30, 2022									10,585,639	10,538,677	(46,962)	56.63	69.82	

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

6.1.2 Corporate sukuk certificates

Name of the security	Profit payments / principal redemptions date	Maturity date	Face value per certificate (Rupees)	Profit rate	As at July 1, 2022	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2022	* Carrying value as at September 30, 2022	* Market value as at September 30, 2022	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) *	Not applicable	April 15, 2014	5,000	Not applicable	14,000	-	-	14,000	-	-	-	-	-	-
Eden Housing Limited (note 6.1.2.1) *	Not applicable	September 29, 2014	984	Not applicable	59,400	-	-	59,400	-	-	-	-	-	-
Security Leasing Corporation Limited II (note 6.1.2.1) *	Not applicable	January 19, 2022	1,540	Not applicable	10,000	-	-	10,000	-	-	-	-	-	-
Hascol Petroleum Limited (note 6.1.2.1, 6.1.2.2) *	Not applicable	January 06, 2022	1,250	Not applicable	80,000	-	-	80,000	-	-	-	-	-	-
COMMERCIAL BANKS														
Dubai Islamic Bank Pakistan Limited (AA-, VIS, non traded)	Semi-annually / At maturity	July 14, 2027	1,000,000	6 months KIBOR plus base rate of 0.5%	538	-	-	538	556,023	556,023	-	3.00	13.45	4.62

Name of the security	Profit payments / principal redemptions date	Maturity date	Face value per certificate (Rupees)	Profit rate	As at July 1, 2022	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2022	* Carrying value as at September 30, 2022	* Market value as at September 30, 2022	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) -----			----- % -----			
POWER GENERATION & DISTRIBUTION														
K-Electric Limited Sukuk V (AA+, VIS, non-traded)	Quarterly / Quarterly commencing from November 3, 2022	August 03, 2027	5,000	3 months KIBOR plus base rate of 1.70%	171,200	-	-	171,200	874,150	873,123	(1,027)	4.70	3.42	7.25
The Hub Power Company Limited (AA+, PACRA), non-traded	Quarterly / Semi-annually	August 22, 2023	50,000	3 months KIBOR plus base rate of 1.90%	2,455	-	-	2,455	129,145	125,819	(3,327)	0.68	3.51	1.05
The Hub Power Company Limited (AA+, PACRA, non-traded)	Quarterly / Semi-annually	March 19, 2024	75,000	1 year KIBOR plus base rate of 1.900%	3,350	-	-	3,350	258,482	256,928	(1,554)	1.38	6.70	2.13
Hub Power Holdings Limited (AA+, PACRA)	Quarterly / Semi-annually commencing from May 12, 2024	November 12, 2025	100,000	6 months KIBOR plus base rate of 2.5%	6,000	-	-	6,000	600,000	600,000	-	3.23	10.00	4.99
Engro Powergen Thar (Private) Limited (A, PACRA, non-traded) (note 6.1.2.2)	Quarterly / Annually	August 2, 2024	3,750	3 months KIBOR plus base rate of 1.10%	62,400	-	-	62,400	247,861	252,945	5,085	1.36	10.40	2.10
Lucky Electric Power Company Limited (AA, PACRA)	At maturity	December 15, 2022	1,000,000	6 months KIBOR plus base rate of 1.20%	350	-	-	350	350,000	350,000	-	1.89	5.00	2.91
PHARMACEUTICALS														
OBS AGP (Private) Limited (A+, VIS, non-traded)	Quarterly / Quarterly commencing from October 15, 2022	July 15, 2026	100,000	3 months KIBOR plus base rate of 1.55%	3,300	-	-	3,300	331,650	334,455	2,805	1.80	12.69	2.78
CEMENT & CONSTRUCTION														
Javedan Corporation Limited (AA-, VIS non-traded)	Semi-annually	October 4, 2026	75,000	6 months KIBOR plus base rate of 1.75%	800	-	-	800	59,568	59,568	-	0.32	2.67	0.49
STEEL & ALLIED PRODUCTS														
Agha Steel Industries (A+, VIS, non-traded) (note 6.1.2.1)	Quarterly / Quarterly	October 9, 2025	812,500	3 months KIBOR plus base rate of 0.80%	182	-	-	182	153,278	147,875	(5,403)	0.80	3.64	1.23
CHEMICALS														
Engro Polymer and Chemicals Limited (AA, PACRA, non-traded)	Quarterly / Semi-annually commencing from July 11, 2024	July 11, 2026	100,000	3 months KIBOR plus base rate of 0.90%	478	-	-	478	51,146	48,125	(3,021)	0.26	0.55	0.40
TEXTILE COMPOSITE														
Masood Textile Mills Limited (A, VIS, non-traded)	Quarterly	December 17, 2024	642,857	3 months KIBOR plus base rate of 2.00%	127	-	-	127	80,420	80,328	(93)	0.43	5.08	0.67
MISCELLANEOUS														
Shakarganj Food Products Limited (BBB+, VIS, non-traded) (note 6.1.2.1 & 6.1.2.2)	Quarterly / Monthly	July 10, 2025	600,000	3 months KIBOR plus base rate of 1.75%	100	-	-	100	62,670	62,524	(146)	0.34	13.79	0.52
Total as at September 30, 2022									3,754,394	3,747,713	(6,681)			
Total as at June 30, 2022									3,960,238	4,006,211	45,973			

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

6.1.2.1 The Securities and Exchange Commission of Pakistan (SECP) vide circular no. 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. Al Meezan Investment Management Limited (the Management Company) classified Meezan Islamic Income Fund (the Fund) as an 'Income Scheme' in accordance with the said circular. As at September 30, 2022, the Fund is compliant with all the requirements of the constitutive documents and said circular except for clauses which requires the rating of any security in the portfolio shall not be lower than the investment grade.

Following investments of the Funds are in sukuks which are non compliant securities. At the time of investment, these were compliant as per SECP criteria and the investment policy of the Fund.

Name of 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	99,259	99,259	-	-	-
Shakarganj Food Products Limited	Non-traded sukuk certificates	62,524	-	62,524	0.34	0.33
Total - September 30, 2022		305,658	243,134	62,524	0.34	0.33
Total - June 30, 2022		311,026	243,134	67,892	0.36	0.36

6.1.2.2 Circular No. 33 of 2012 allows the asset manager to apply a mark up / mark down within available limit for valuation of any specific debt security. Exercising the discretionary power, the above mentioned sukuk certificates of Engro Powergen Thar (Private) Limited and Shakarganj Food Products Limited have been valued at a discretionary rate of Rs 108.0963 and Rs 104.2072 when the reported market rate on MUFAP valuation sheet as at September 30, 2022 was Rs 111.0635 and Rs 106.8831 respectively. The mark down in prices has been done within allowable limits.

6.2 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2022	Purchases during the quarter	Sales / redemptions / maturity during the quarter	As at September 30, 2022	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Unrealised appreciation / (diminution)	Percentage in relation to	
			----- (Number of certificates) -----			----- (Rupees in '000) -----		----- % -----			
Mughal Iron & Steel Industries Limited CP (note 6.2.1)	July 21, 2022	6 months KIBOR plus base rate of 1.75%	300	-	300	-	-	-	-	-	-
Lucky Electric Power Company Limited ICP2 (A-1, PACRA) (note 6.2.1)	July 12, 2022	6 months KIBOR plus base rate of 1.50%	250	-	250	-	-	-	-	-	-
Total as at September 30, 2022											
Total as at June 30, 2022							552,203	552,203	-	2.97	3.66

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

7.	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - THE MANAGEMENT COMPANY	Note	September 30,	June 30,
			2022 (Unaudited)	2022 (Audited)
			(Rupees in '000)	
	Management fee payable	7.1	2,065	1,464
	Sindh Sales Tax on Management fee payable		268	190
	Allocated expenses payable	7.2	2,319	157
	Selling and marketing expenses payable	7.3	26,429	7,205
	Sales load payable		1,033	3,653
	Sindh Sales Tax on sales load payable		134	475
			32,248	13,144

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 0.50% (September 30, 2021: 0.50%) per annum of the average net assets of the Fund during the quarter. The remuneration is payable to the Management Company monthly in arrears.

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

The management company based on its own discretion has currently charged 0.15% (September 30, 2021: 0.15%) of the average annual net assets of the scheme for allocation of such expenses to the Fund for the quarter.

7.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion has charged selling and marketing expenses at 0.40% (September 30, 2021: 0.30%) of the average annual net assets of the Fund during the quarter. These expenses have also been approved by the Board of Directors of the Management Company.

8.	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30,	June 30,
			2022 (Unaudited)	2022 (Audited)
			(Rupees in '000)	
	Auditors' remuneration payable		652	459
	Brokerage payable		742	527
	Shariah advisor fee payable		802	531
	Withholding tax payable		-	163,987
	Capital gain tax payable		3,858	33,900
	Zakat payable		155	381
	Other accrued expenses payable		807	954
	Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	8.1	50,417	50,417
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	8.1	2,642	2,642
			60,075	253,798

8.1 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2022. Had the provision of Federal Excise Duty not being made, the net asset value per unit as at September 30, 2022 would have been higher by Re. 0.15 (June 30, 2022: Re. 0.15) per unit.

9. CONTINGENCIES AND COMMITMENTS

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

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

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

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

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

Balances	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited (Management Company)		
Remuneration payable	2,065	1,464
Sindh Sales Tax payable on remuneration of the Management Company	268	190
Allocated expenses payable	2,319	157
Selling and marketing expense payable	26,429	7,205
Sales load payable	1,033	3,653
Sindh Sales Tax on sales load	134	475
Meezan Bank Limited		
Balances with bank	65,073	147,637
Profit receivable on saving account	129	199
Sales load payable	1,141	1,030
Sindh Sales Tax on sales load	148	134
ATM Deposit	2,704	2,704
Shariah advisor fee payable	802	531
Central Depository Company of Pakistan Limited - CDC (Trustee)		
Trustee fee payable	1,160	1,246
Sindh Sales Tax on Trustee Fee payable	151	162
Security deposit	100	100
Meezan Financial Planning Fund of Funds		
- Aggressive Allocation Plan		
Investment of 1,346,062 units (June 30, 2022: 1,418,225 units)	71,474	73,084
Meezan Financial Planning Fund of Funds		
- Moderate Allocation Plan		
Investment of 785,969 units (June 30, 2022: 936,854 units)	41,734	48,278



	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
	(Rupees in '000)	
Meezan Financial Planning Fund of Funds		
- Conservative Allocation Plan		
Investment of 1,918,907 units (June 30, 2022: 2,080,458 units)	101,891	107,211
AI Meezan Investment Management Limited - Employees' Gratuity Fund		
Investment of 7,772 units (June 30, 2022: 217,135 units)	413	11,189
Directors and Executives of the Management Company		
Investments of 212,000 units (June 30, 2022: 260,557 units)	11,257	13,427
	For the quarter ended	
	September 30,	
	2022	2021
	(Unaudited)	
	(Rupees in '000)	
Transactions during the quarter		
AI Meezan Investment Management Limited (Management Company)		
Remuneration for the quarter	24,031	37,627
Sindh Sales Tax on remuneration of the Management Company	3,124	4,891
Allocated expenses	7,209	11,288
Selling and marketing expense	19,225	22,572
Units issued: 4,829,070 units (September 30, 2021: nil)	250,000	-
Units redeemed: 4,829,070 units (September 30, 2021: nil)	251,282	-
Meezan Bank Limited		
Profit on saving account	1,130	478
Profit on sukuk certificate	-	6,259
Shariah advisor fee	271	269
Central Depository Company of Pakistan Limited - CDC (Trustee)		
Remuneration for the quarter	3,605	5,630
Sindh Sales Tax on trustee fee	469	732
CDS Charges	32	25
Meezan Financial Planning Fund of Funds		
- Aggressive Allocation Plan		
Units issued: nil (September 30, 2021: 45,561 units)	-	2,375
Units redeemed: 72,163 units (September 30, 2021: 122,198 units)	3,800	6,378
Meezan Financial Planning Fund of Funds		
- Moderate Allocation Plan		
Units issued: 38,747 units (September 30, 2021: 211,287 units)	2,000	11,000
Units redeemed: 189,632 units (September 30, 2021: 90,939 units)	9,935	4,740
Meezan Financial Planning Fund of Funds		
- Conservative Allocation Plan		
Units issued: nil (September 30, 2021: 130,251 units)	-	6,750
Units redeemed: 161,551 units (September 30, 2021: 163,471 units)	8,421	8,521
Meezan Financial Planning Fund of Funds - MAAP - I		
Units redeemed: nil (September 30, 2021: 36,625 units)	-	1,900

		For the quarter ended September 30,	
		2022	2021
		(Unaudited)	
		(Rupees in '000)	
AI Meezan Investment Management Limited - Employees' Gratuity Fund			
Units redeemed: 209,363 units (September 30, 2021: nil)		<u>11,000</u>	<u>-</u>
Directors and Executives of the Management Company			
Units issued: 95,566 units (September 30, 2021: 3,676,556 units)		<u>5,017</u>	<u>190,827</u>
Units redeemed: 144,123 units (September 30, 2021: 318,202 units)		<u>7,532</u>	<u>16,509</u>

11. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at September 30, 2022 based on current period results is 1.24% (September 30, 2021: 1.15%) which includes 0.10% (September 30, 2021: 0.10%) representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Income Scheme'.

12. TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. 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, 2023 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 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, 2022 and June 30, 2022, the Fund held the following financial instruments measured at fair value:

ASSETS	As at September 30, 2022			
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Sukuk Certificates	-	12,034,819	-	12,034,819
Certificates of Musharakah*	-	-	-	-
Commercial Papers**	-	-	-	-
	-	12,034,819	-	12,034,819
	-	12,034,819	-	12,034,819

ASSETS	As at June 30, 2022			
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Sukuk certificates	-	14,544,888	-	14,544,888
Certificates of musharakah*	-	-	-	-
Commercial papers**	-	552,203	-	552,203
	-	15,097,091	-	15,097,091
	-	15,097,091	-	15,097,091

* 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 unless otherwise stated.

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on October 13, 2022 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

KUNYANG CHHISH

A generational wealth legacy and the delight of conquering a summit are both exhilarating.

Height 7,823 meters,
belongs to the range Hispar Karakoram



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.

FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

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

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Mr. Salman Muslim

BOARD AUDIT COMMITTEE

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

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

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

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Mohammad Shoaib, CFA	Member
Mr. Faiz ur Rehman	Subject Matter Expert

TRUSTEE

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

AUDITORS

EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road,
P.O. Box 15541, Karachi 75530

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited
Al Baraka Islamic Bank B.S.C (E.C)
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited -Islamic Banking

Habib Metropolitan Bank Limited - Islamic Banking
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
Sindh Bank Limited
Soneri Bank Limited
The Bank Of Punjab 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
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT SEPTEMBER 30, 2022**

		September 30, 2022 (Unaudited) (Rupees in '000)	June 30, 2022 (Audited)
Assets			
Balances with banks	5	631,793	384,892
Investments	6	4,860,674	5,794,717
Receivable against conversion of units		911	79,729
Deposits, prepayments and other receivables		240,578	115,438
Total assets		5,733,956	6,374,776
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	8,069	2,521
Payable to Central Depository Company of Pakistan Limited - Trustee		317	329
Payable to Securities and Exchange Commission of Pakistan		324	1,789
Payable to Meezan Bank Limited		176	516
Payable on redemption and conversion of units		16,001	35,110
Accrued expenses and other liabilities	9	88,415	138,434
Total liabilities		113,302	178,699
Net assets		5,620,654	6,196,077
Unitholders' fund (as per statement attached)		5,620,654	6,196,077
Contingencies and commitments	8		
Number of units in issue		105,780,166	119,927,049
		(Rupees)	
Net assets value per unit		53.1352	51.6654

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 INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Note	September 30,	
		2022	2021
(Rupees in '000)			
Income			
Profit on sukuk certificates		203,851	145,150
Net realised loss on sale of sukuk certificates		(6,300)	-
Profit on saving accounts with banks		28,346	39,285
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)		-	40,077
		<u>225,897</u>	<u>224,512</u>
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1	(27,742)	41,661
Total income		<u>198,155</u>	<u>266,173</u>
Expenses			
Remuneration to AI Meezan Investment Management Limited - Management Company	7.1	8,105	12,589
Sindh Sales Tax on remuneration of the Management Company		1,054	1,637
Remuneration to Central Depository Company of Pakistan Limited - Trustee		892	1,637
Sindh Sales Tax on remuneration of the Trustee		116	213
Annual fee to Securities and Exchange Commission of Pakistan		324	504
Auditors' remuneration		166	169
Legal and professional charges		-	184
Fees and subscription		296	257
Brokerage expense		509	-
Bank and settlement charges		107	17
Printing Expenses		7	
Allocated expenses	7.2	2,432	3,777
Selling and marketing expense	7.3	4,863	7,554
Total expenses		<u>18,871</u>	<u>28,538</u>
Net income for the quarter before taxation		<u>179,284</u>	<u>237,635</u>
Taxation	12	-	-
Net income for the quarter after taxation		<u>179,284</u>	<u>237,635</u>
Allocation of net income for the quarter			
Net income for the quarter after taxation		179,284	237,635
Income already paid on units redeemed		31,305	25,522
		<u>147,979</u>	<u>212,113</u>
Accounting income available for distribution			
- Relating to capital gains		(34,042)	41,661
- Excluding capital gains		182,021	170,452
		<u>147,979</u>	<u>212,113</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, 2022

	September 30,	
	2022	2021
	(Rupees in '000)	
Net income for the quarter after taxation	179,284	237,635
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u>179,284</u>	<u>237,635</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 MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	September 30, 2022			September 30, 2021		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at beginning of the quarter	5,884,164	311,913	6,196,077	9,634,121	305,131	9,939,252
Issue of 24,242,586 units (2021: 104,445,111 units)						
- Capital value (at ex-net asset value per unit at the beginning of the quarter)	1,252,503	-	1,252,503	5,388,511	-	5,388,511
- Element of income	12,928	-	12,928	50,509	-	50,509
Total proceeds on issuance of units	1,265,431	-	1,265,431	5,439,020	-	5,439,020
Redemption of 38,389,468 units (2021: 93,708,397 units)						
- Capital value (at ex- net asset value per unit at the beginning of the quarter)	1,983,407	-	1,983,407	4,834,585	-	4,834,585
- Element of loss	5,426	31,305	36,731	12,646	25,522	38,168
Total payments on redemption of units	1,988,833	31,305	2,020,138	4,847,231	25,522	4,872,753
Total comprehensive income for the quarter	-	179,284	179,284	-	237,635	237,635
Distribution during the quarter	-	-	-	-	-	-
Refund of capital	-	-	-	-	-	-
Net assets at end of the quarter	5,160,762	459,892	5,620,654	10,225,910	517,244	10,743,154
Undistributed income brought forward						
- Realised income		314,344			203,956	
- Unrealised (loss) / income		(2,431)			101,175	
		311,913			305,131	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains		(34,042)			41,661	
- Excluding capital gains		182,021			170,452	
		147,979			212,113	
Undistributed income carried forward		459,892			517,244	
Undistributed income carried forward						
- Realised income		487,634			475,583	
- Unrealised income		(27,742)			41,661	
		459,892			517,244	
Net assets value per unit at beginning of the quarter			(Rupees) <u>51.6654</u>			(Rupees) <u>51.5918</u>
Net assets value per unit at end of the quarter			<u>53.1352</u>			<u>52.8209</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 CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	September 30,	
	2022	2021
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	179,284	237,635
Adjustments for		
Net unrealised diminution / (appreciation) re-measurement of investments classified as 'financial assets at fair value through profit or loss'	27,742	(41,661)
	<u>207,026</u>	<u>195,974</u>
Increase in assets		
Investments - net	906,301	-
Receivable against sale of investments	-	-
Deposits, prepayments and other receivable	(125,140)	(108,386)
	<u>781,161</u>	<u>(108,386)</u>
(Decrease) / Increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	5,548	5,190
Payable to Central Depository Company of Pakistan Limited - Trustee	(12)	(186)
Payable to Securities and Exchange Commission of Pakistan	(1,465)	(1,318)
Payable to Meezan Bank Limited	(340)	227
Accrued expenses and other liabilities	(50,019)	(96,355)
	<u>(46,288)</u>	<u>(92,442)</u>
Net cash generated from / (used in) operating activities	<u>941,899</u>	<u>(4,854)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	1,344,249	5,798,194
Payments against redemption and conversion of units	(2,039,247)	(4,877,311)
Net cash (used in) / generated from financing activities	<u>(694,998)</u>	<u>920,883</u>
Net increase in cash and cash equivalents during the quarter	<u>246,901</u>	<u>916,029</u>
Cash and cash equivalents at the beginning of the quarter	384,892	2,060,201
Cash and cash equivalents at the end of the quarter	<u><u>631,793</u></u>	<u><u>2,976,230</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

MEEZAN SOVEREIGN FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Sovereign Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.
- 1.2** The Fund has been formed to provide the unit holders preservation of capital along with Halal returns by investing primarily in a portfolio of Shariah compliant government securities, thus minimising the credit risk of investments. The Fund also keeps an exposure in short-term near cash instruments for the purpose of maintaining liquidity and to capitalise on high returns if available at any given point of time. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah principles. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.
- 1.3** The Fund is an open end Shariah Compliant (Islamic) Income Scheme, listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 27, 2021 (2021: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2022 (2021: AM1 dated June 23, 2021). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA(f) by VIS Credit Rating Company Limited dated December 27, 2021 (2021: AA(f) dated January 12, 2021).
- 1.5** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the 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 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 published audited annual financial statements of the Fund for the year ended June 30, 2022.

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, 2022.

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, 2022.

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, 2022. 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, 2022.

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, 2022. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

	Note	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
5. BALANCES WITH BANKS		(Rupees in '000)	
In saving accounts	5.1	631,789	384,888
In current accounts		4	4
		631,793	384,892

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 16.30% per annum (June 30, 2022: 3.00% to 16.25% per annum).

	Note	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
6. INVESTMENTS		(Rupees in '000)	
Investments - 'at fair value through profit or loss'			
Sukuk Certificates	6.1	4,860,674	5,794,717
6.1 Sukuk Certificates			
Government securities	6.1.1	4,826,994	5,761,444
Corporate sukuks	6.1.2	33,680	33,273
		4,860,674	5,794,717

6.1.1 Government securities

Name of the security	Issue date	Maturity Date	Rate of Return	As at July 01, 2022	Purchased during the quarter	Disposed/matured during the quarter	As at September 30, 2022	Carrying value as at July 01, 2022	Market value as at September 30, 2022	Unrealised (diminution) as at September 30, 2022	Market value as a percentage of net assets of the Fund	Market value as a percentage of total investments
				----- Number of certificates -----			(Rupees in '000)			----- Percentage -----		
Pakistan Energy Sukuk (note 6.1.1.1)	March 1, 2019	March 1, 2029	6 months KIBOR plus base rate of 0.8%	150,000	-	-	150,000	801,000	801,000	-	14.25%	16.48%
Pakistan Energy Sukuk II (note 6.1.1.1)	May 21, 2020	May 21, 2030	6 months KIBOR plus base rate of 0.10%	984,200	-	180,000	804,200	4,049,147	4,021,000	(28,147)	71.54%	82.73%
GoP Ijarah Sukuk Certificates - XXIV - VRR (note 6.1.2.1)	October 29, 2021	October 29, 2026	Weighted average 6 months T-Bills	50	-	-	50	4,997	4,995	(2)	0.09%	0.10%
Total - September 30, 2022								4,855,144	4,826,995	(28,149)	85.88%	99.31%
Total as at June 30, 2022								5,766,001	5,761,444	(4,557)	92.99%	99.43%

6.1.1.1 Pakistan Energy Sukuk Certificates having nominal value of Rs. 5,000 each

6.1.2 Corporate sukuks

Name of the security	Maturity date	Profit rate	As at July 1, 2022	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2022	Carrying value as at July 01, 2022	Market value as at September 30, 2022	Unrealised appreciation as at September 30, 2022	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 investments)
			(Number of certificates)			(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	720	-	-	720	33,273	33,680	407	0.60%	0.69%	0.07%
Total - September 30, 2022							<u>33,273</u>	<u>33,680</u>	<u>407</u>	<u>0.60%</u>	<u>0.69%</u>	<u>0.07%</u>
Total as at June 30, 2022							<u>31,147</u>	<u>33,273</u>	<u>2,126</u>	<u>0.54%</u>	<u>0.57%</u>	

6.1.2.1 The nominal value of these sukuk certificate is of Rs. 100,000 each

7	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - THE MANAGEMENT COMPANY	Note	September 30, 2022	June 30, 2022
			(Unaudited)	(Audited)
			(Rupees in '000)	
	Management fee payable	7.1	396	416
	Sindh Sales Tax payable on remuneration of the Management Company		51	54
	Allocated expenses payable	7.2	765	47
	Selling and marketing expenses payable	7.3	6,651	1,787
	Sales load payable		182	192
	Sindh sales tax on sales load payable		24	25
			<u>8,069</u>	<u>2,521</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% (2022: 0.5%) per annum of the average net assets of the Fund during the quarter ended September 30, 2022. 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

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

7.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion charged selling and marketing expense at 0.3% per annum of the average annual net assets of the Fund.

8. CONTINGENCIES AND COMMITMENTS

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

9.	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30, 2022	June 30, 2022
			(Unaudited)	(Audited)
			(Rupees in '000)	
	Auditors' remuneration payable		534	368
	Printing expenses payable		-	-
	Brokerage payable		506	377
	Shariah advisor fee payable		474	268
	Withholding tax payable		-	41,908
	Capital gain tax payable		4,226	12,763
	Zakat payable		36	111
	CDS Charges Payable		-	-
	Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	9.1	80,077	80,077
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	9.1	2,562	2,562
			<u>88,415</u>	<u>138,434</u>

- 9.1 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, 2022 would have been higher by Re 0.78 (June 30, 2022 : Rs. 0.69) per unit.

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

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

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

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

	September 30, 2022 (Unaudited) (Rupees in '000)	June 30, 2022 (Audited)
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	396	416
Sindh Sales Tax payable on remuneration of the Management Company	51	54
Sales load payable	182	192
Sindh Sales Tax payable on sales load	24	25
Allocated expense payable	765	47
Selling and marketing expense payable	6,650	1,787
Investment of Nil units (June 30, 2022: 9,873,760 units)	-	510,132
Meezan Bank Limited		
Balances with bank	8,566	265,464
Profit receivable on saving accounts	11	88
Sales load payable	156	457
Sindh Sales Tax on sales load payable	20	59
Shariah advisor fee payable	474	268
Investment of 9,969 units (2022: 9,969 units)	530	515
Initial deposit	395	394
Central Depository Company of Pakistan Limited - Trustee		
Security deposit	100	100
Remuneration Payable	280	291
Sindh Sales Tax payable on remuneration of the Trustee	36	38
CDS Charges payable	-	-
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 187,593 units (2022: 187,593 units)	9,968	9,691
Directors and their close family members and key management personnel of the Management Company		
Investment of 122,290 units (2022: 158,431 units)	6,498	8,185

	For the quarter ended September 30,	
	2022	2021
	(Unaudited)	
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	8,105	12,589
Sindh Sales Tax on remuneration of the Management Company	1,054	1,637
Allocated expenses	2,432	3,777
Selling and marketing expense	4,863	7,554
Units issued: Nil units (September 30, 2021: Nil units)	-	-
Units redeemed: 9,873,760 units (September 30, 2021: 19,388,675 units)	520,300	1,001,742
Meezan Bank Limited		
Profit on saving accounts	536	320
Shariah advisor fee	206	157
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	892	1,637
Sindh Sales Tax on trustee fee	116	213
CDS charges for the quarter	36	-
Directors and executives of the Management Company		
Units issued: 124,748 units (September 30, 2021: 368,354 units)	6,519	19,139
Units redeemed: 160,888 units (September 30, 2021: 418,242 units)	8,445	21,699

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2022 is 1.16% which includes 0.10% representing government levies on the Fund such as Sales Taxes and Annual fee to the SECP. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Income Scheme.

12. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has distributed at least 90% of the Fund's accounting income for the year ended June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these financial statements.

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

13. 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, 2022, the Fund held the following financial instruments measured at fair value:

As at September 30, 2022 (unaudited)			
Level 1	Level 2	Level 3	Total

ASSETS

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

Financial assets 'at fair value through profit or loss'

Sukuk Certificates	-	4,860,674	-	4,860,674
--------------------	---	-----------	---	-----------

As at June 30, 2022 (audited)			
Level 1	Level 2	Level 3	Total

ASSETS

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

Financial assets 'at fair value through profit or loss'

Sukuk Certificates	-	5,794,717		5,794,717
--------------------	---	-----------	--	-----------

14. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on October 13, 2022 by the Board of Directors of the Management Company.

15. GENERAL

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

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

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

PUMARI CHHISH

Mountain climbing and investments both require intrinsic understanding of marginal benefits.

Height 7,492 meters,
belongs to the range Hispar Karakoram



MEEZAN DAILY INCOME FUND(MDIF)

Meezan Daily Income Fund is an Allocation Plan under “Meezan Daily Income Fund (MDIF)” with an objective to provide investors with a competitive rate of return, together with daily payout, through investment in Shariah Compliant Fixed Income Instruments.



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

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

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Mr. Salman Muslim

BOARD AUDIT COMMITTEE

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

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

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

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Mohammad Shoaib, CFA	Member
Mr. Faiz ur Rehman	Subject Matter Expert

TRUSTEE

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

AUDITORS

EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road,
P.O. Box 15541, Karachi 75530

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)	Allied Bank Limited - Islamic Banking
Askari Bank Ltd - Islamic Banking	Bank Islami Pakistan Limited
Bank of Khyber - Islamic Banking	Dubai Islamic Bank
Habib Bank Limited - Islamic Banking	Meezan Bank Limited
Soneri Bank Ltd - Islamic Banking	The Bank of Punjab - Islamic Banking
United Bank Limited- Islamic Banking	

LEGAL ADVISER

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

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN DAILY INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT SEPTEMBER 30, 2022**

		September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
		MDIP-I (Rupees in '000)	
	Note		
Assets			
Balances with banks	5	30,134,887	22,995,517
Investments	6	10,969,000	7,294,000
Receivable against conversion of units		83,366	47,229
Deposits, prepayments and profit receivable		706,522	484,814
Preliminary expenses and floatation costs		609	648
Total assets		41,894,384	30,822,208
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	7	20,994	8,087
Payable to Central Depository Company of Pakistan Limited - Trustee		2,840	2,072
Payable to the Securities and Exchange Commission of Pakistan (SECP)		1,824	2,638
Payable to Meezan Bank Limited		15,920	15,378
Payable against conversion and redemption of units		129,466	107,446
Dividend payable		15,830	-
Accrued expenses and other liabilities	8	72,038	37,943
Total liabilities		258,912	173,564
Net assets		41,635,472	30,648,644
Unit holders' fund (as per statement attached)		41,635,472	30,648,644
Contingencies and commitments	9		
Number of units in issue		832,709,426	612,972,871
Net asset value per unit		50.0000	50.0000

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

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

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN DAILY INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

		September 30,2022	For the period from September 14, 2021 to September 30, 2021
	Note	MDIP-I (Rupees in '000)	
Income			
Profit on sukuks		219,925	-
Profit on certificate of musharaka		104,692	-
Profit on term deposit receipts		70,838	-
Profit on savings accounts with banks		961,024	6,917
Total income		<u>1,356,479</u>	<u>6,917</u>
Expenses			
Remuneration of Al Meezan Investment Management Limited - Management Company	7.1	41,035	-
Sindh Sales Tax on remuneration of the Management Company		5,335	-
Selling and marketing expenses	7.2	10,943	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee		6,839	72
Sindh Sales Tax on remuneration of the Trustee		889	9
Annual fees to the Securities and Exchange Commission of Pakistan (SECP)		1,824	19
Auditors' remuneration		108	11
Bank and settlement charges		37	-
Amortisation of preliminary expenses and floatation costs		39	6
Fees and subscription		329	-
Total expenses		<u>67,378</u>	<u>117</u>
Net income for the quarter before taxation		<u>1,289,102</u>	<u>6,800</u>
Taxation	11	-	-
Net income for the quarter after taxation		<u>1,289,102</u>	<u>6,800</u>
Allocation of net income for the quarter			
Net income for the quarter after taxation		1,289,102	6,800
Income already paid on units redeemed		-	-
		<u>1,289,102</u>	<u>6,800</u>
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		1,289,102	6,800
		<u>1,289,102</u>	<u>6,800</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN DAILY INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	September 30, 2022	For the period from September 14, 2021 to September 30, 2021
		MDIP-I (Rupees in '000)
Net income for the quarter after taxation	1,289,102	6,800
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>1,289,102</u>	<u>6,800</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN DAILY INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022**



Meezan
Daily Income
Fund

	September 30,2022	For the period from September 14, 2021 to September 30,2021
Note	MDIP-I (Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	1,289,102	6,800
Adjustment for non-cash items:		
Amortisation of preliminary expenses and floatation costs	39	6
	1,289,141	6,806
Increase in assets		
Investments - net	(4,075,000)	-
Deposits, prepayments and profit receivable	(221,708)	(7,017)
Preliminary expenses and floatation costs paid	-	(769)
	(4,296,708)	(7,786)
Increase in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	12,907	852
Payable to Central Depository Company of Pakistan Limited - Trustee	768	81
Payable to the Securities and Exchange Commission of Pakistan (SECP)	(814)	19
Payable to Meezan Bank Limited	542	54
Accrued expenses and other liabilities	34,095	525
	47,498	1,531
Net cash (used in) / generated from operating activities	(2,960,070)	551
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	26,063,625	2,375,621
Payment against redemption and conversion of units	(15,090,914)	(94,214)
Dividend paid	(1,273,272)	(6,362)
Net cash generated from financing activities	9,699,440	2,275,045
Net increase in cash and cash equivalents during the quarter	6,739,370	2,275,596
Cash and cash equivalents at the beginning of the quarter	25,939,517	-
Cash and cash equivalents at the end of the quarter	5.2 32,678,887	2,275,596

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

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

Chief Executive Officer

Chief Financial Officer

Director

MEEZAN DAILY INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Daily Income Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 13, 2021 under Sindh Trusts Act, 2020 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

1.2 The Fund is an open ended Shariah compliant Income Scheme with allocation plans. The investment objective of the Fund is to earn return by investing in Shariah compliant fixed income instruments and has the following specific features:

- (a) Dividend will be distributed to the entitled unit holders on a daily basis (i.e. each business day); and
- (b) Daily dividend received by the unit holders shall be reinvested.

By distributing dividend on a daily basis, the Management Company is required to ensure that total distribution in an accounting period accumulates to an amount that is required under the tax laws and other regulations in force.

1.3 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 Pakistan Stock Exchange Limited.

1.4 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 27, 2021 (2021: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2022 (2021: 'AM1' dated June 23, 2021). 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 financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

Where provisions of and directives issued under the Companies Act, 2017 part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the IFRSs, 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 financial statements of the Fund for the period ended June 30, 2022.

These condensed interim financial statements are unaudited. However, in compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2022.

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 financial statements of the Fund for the period ended June 30, 2022.
- 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 period ended June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Funds for the period ended June 30, 2022.
- 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, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

	Note	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
5 BALANCES WITH BANKS			
Balances with bank in:			
Savings accounts	5.1	30,134,887	22,995,517

- 5.1 The balance in saving accounts have an expected profit ranging from 4.75% to 16.30% per annum (June 30, 2022: 3.70% to 16.40% per annum).

	Note	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
5.2 CASH AND CASH EQUIVALENTS			
Balances with banks	5	30,134,887	22,995,517
Certificates of musharaka	6.3	2,544,000	2,944,000
		<u>32,678,887</u>	<u>25,939,517</u>

	Note	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
6 INVESTMENTS			
At fair value through profit or loss			
Sukuk certificates	6.1	6,425,000	4,350,000
Term deposit receipts	6.2	2,000,000	-
Certificates of musharaka	6.3	2,544,000	2,944,000
		<u>10,969,000</u>	<u>7,294,000</u>

6.1 Corporate sukus

Name of the security	Maturity date	Profit rate	July 1, 2022	Purchased during the quarter	Matured during the quarter	As at September 30, 2022	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Unrealised appreciation / (diminution) as at September 30, 2022	Percentage in relation to	
										Number of certificates	(Rupees in '000)
K-Electric Limited PPSTS - 1 (AA, PACRA) (note 6.2.2.2)	August 04, 2022	6 months KIBOR plus base rate of 0.85%	625	-	625	-	-	-	-	-	-
K-Electric Limited PPSTS - 2 (AA, PACRA) (note 6.2.2.2)	August 15, 2022	6 months KIBOR plus base rate of 0.85%	675	-	675	-	-	-	-	-	-

Name of the security	Maturity date	Profit rate	July 1, 2022	Purchased during the quarter	Matured during the quarter	As at September 30, 2022	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Unrealised appreciation / (diminution) as at September 30, 2022	Percentage in relation to	
										Number of certificates	
										(Rupees in '000)	
K-Electric Limited PPSTS - 3 (AA, PACRA) (note 6.2.2.2)	September 01, 2022	6 months KIBOR plus base rate of 0.85%	675	-	675	-	-	-	-	-	-
K-Electric Limited PPSTS - 4 (AA, PACRA) (note 6.2.2.2)	September 23, 2022	6 months KIBOR plus base rate of 0.85%	300	-	300	-	-	-	-	-	-
K-Electric Limited PPSTS - 5 (AA, PACRA) (note 6.2.2.2)	October 12, 2022	6 months KIBOR plus base rate of 0.95%	400	-	-	400	400,000	400,000	-	0.96	3.65
Hub Power Company Limited (AA+, PACRA) (note 6.2.2.1)	October 27, 2022	6 months KIBOR plus base rate of 1.00%	6,750	-	-	6,750	675,000	675,000	-	1.62	6.15
Lucky Electric Power Company Limited PPSTS - 2 (AA, PACRA) (note 6.2.2.2)	December 15, 2022	6 months KIBOR plus base rate of 1.20%	1,000	-	-	1,000	1,000,000	1,000,000	-	2.40	9.15
Lucky Electric Power Company Limited PPSTS - 4 (AA, PACRA) (note 6.2.2.2)	January 09, 2023	6 months KIBOR plus base rate of 1.20%	-	750	-	750	750,000	750,000	-	1.80	6.87
China Power Hub Generation Company (PVT) Limited - I (A-1+, PACRA) (note 6.2.2.2)	January 30, 2023	6 months KIBOR plus base rate of 1.35%	-	1,200	-	1,200	1,200,000	1,200,000	-	2.88	10.97
K-Electric Limited PPSTS - 7 (AA, PACRA) (note 6.2.2.2)	February 10, 2023	6 months KIBOR plus base rate of 1.35%	-	750	-	750	750,000	750,000	-	1.80	6.84
K-Electric Limited PPSTS - 8 (AA, PACRA) (note 6.2.2.2)	February 28, 2023	6 months KIBOR plus base rate of 1.35%	-	600	-	600	600,000	600,000	-	1.44	5.47
K-Electric Limited PPSTS - 9 (AA, PACRA) (note 6.2.2.2)	March 21, 2023	6 months KIBOR plus base rate of 1.40%	-	300	-	300	300,000	300,000	-	0.72	2.73
Lucky Electric Power Company Limited PPSTS - 5 (AA, PACRA) (note 6.2.2.2)	March 28, 2023	6 months KIBOR plus base rate of 1.50%	-	750	-	750	750,000	750,000	-	1.80	6.87
Total as at September 30, 2022							<u>6,425,000</u>	<u>6,425,000</u>	-		
Total as at June 30, 2022							<u>4,350,000</u>	<u>4,350,000</u>			

6.1.1 The nominal value of the sukuk certificates is Rs 100,000 and the profit and principal of corporate sukuks is receivable at maturity.

6.1.2 The nominal value of the sukuk certificates is Rs 1,000,000 and the profit and principal of corporate sukuks is receivable at maturity.

6.2 Term deposit receipts

Name of the bank	Maturity date	Profit rate	July 1, 2022	Placed during the quarter	Matured during the quarter	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Unrealised appreciation / (diminution) as at September 30, 2022	Percentage in relation to		
									Net assets of the Fund	Total market value of investment	
										(Rupees in '000)	
										%	%
Meezan Bank Limited (related party) (AAA, VIS)	August 29, 2022	14.15%		2,500,000	2,500,000	-	-	-	-	-	
The Bank of Punjab (AA+, PACRA)	February 16, 2023	15.80%		2,000,000	-	2,000,000	2,000,000	-	4.80	18.23	
Total as at September 30, 2022				<u>4,500,000</u>	<u>2,500,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	-			

6.3 Certificates of musharaka

Name of the company	Maturity date	Profit rate	July 1, 2022	Placed during the quarter	Matured during the quarter	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Unrealised appreciation / (diminution) as at September 30, 2022	Percentage in relation to		
									Net assets of the Fund	Total market value of investment	
										(Rupees in '000)	
										%	%
First Habib Modaraba (AA+, PACRA)	July 28, 2022	15.00%	718,000	-	718,000	-	-	-	-	-	
First Habib Modaraba (AA+, PACRA)	July 28, 2022	15.00%	718,000	-	718,000	-	-	-	-	-	
OLP Modaraba (Formerly Orix Modaraba) (AA, PACRA)	July 29, 2022	15.50%	700,000	-	700,000	-	-	-	-	-	
First Habib Modaraba (AA+, PACRA)	August 9, 2022	15.00%	308,000	-	308,000	-	-	-	-	-	
First Habib Modaraba (AA+, PACRA)	August 19, 2022	15.00%	500,000	-	500,000	-	-	-	-	-	
First Habib Modaraba (AA+, PACRA)	October 28, 2022	15.80%		718,000	-	718,000	718,000	-	1.72	6.55	
First Habib Modaraba (AA+, PACRA)	October 28, 2022	15.80%		718,000	-	718,000	718,000	-	1.72	6.55	
OLP Modaraba (Formerly Orix Modaraba) (AA, PACRA)	October 29, 2022	16.12%		300,000	-	300,000	300,000	-	0.72	2.73	
First Habib Modaraba (AA+, PACRA)	November 10, 2022	15.80%		308,000	-	308,000	308,000	-	0.74	2.81	
First Habib Modaraba (AA+, PACRA)	November 18, 2022	15.80%		500,000	-	500,000	500,000	-	1.20	4.56	
Total as at September 30, 2022				<u>2,544,000</u>	-	<u>2,544,000</u>	<u>2,544,000</u>	-			
Total as at June 30, 2022						<u>2,944,000</u>	<u>29,440,000</u>				

7	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED-MANAGEMENT COMPANY	Note	September 30, 2022 (Unaudited) (Rupees in '000)	June 30, 2022 (Audited)
	Management fee payable	7.1	2,550	1,027
	Sindh Sales Tax on remuneration of the Management Company		332	134
	Selling and marketing expenses payable	7.2	13,078	2,135
	Sales load payable		4,455	4,240
	Sindh Sales Tax on sales load payable		579	551
			<u>20,994</u>	<u>8,087</u>

- 7.1** As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit.

Keeping in view the maximum allowable threshold, during the quarter, the Management Company has charged its remuneration at the rate of 0.45% (June 30, 2022: 0.2%) per annum of the average net assets of the Fund during the quarter ended September 30, 2022. The remuneration is payable to the Management Company monthly in arrears.

- 7.2** In accordance with Circular 11 dated July 5, 2019, the Management Company is entitled for charging selling and marketing expenses to Collective Investment Schemes (CISs) managed by them upto a maximum limit approved by the Board of Directors as part of annual plan. The Management Company, based on its own discretion, has charged selling and marketing expenses at 0.12% (June 30, 2022: 0.1%) while keeping in view the overall return and the total expense ratio limit at the following rates subject to the total expense charged not being higher than the actual expense incurred during the period:

8	ACCRUED EXPENSES AND OTHER LIABILITIES	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
	Brokerage payable	-	16
	Auditors' remuneration payable	238	131
	Zakat Payable	141	612
	Withholding tax payable	70,863	36,645
	Shariah advisory fee payable	796	539
		<u>72,038</u>	<u>37,943</u>

9 CONTINGENCIES AND COMMITMENTS

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

10 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at September 30, 2022 based on current quarter results is 0.74% (September 30, 2021: 0.1%) which includes 0.09% representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Income Scheme.

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 at least 90 percent of the net accounting income other than capital gains to the unitholders. Since the management has distributed the required minimum percentage of income earned by the Fund for the quarter ended September 30, 2022 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the period.

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

12 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

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

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

	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
	(Rupees in '000)	
Balances		
Al Meezan Investment Management Limited - Management Company		
Management fee payable	2,550	1,027
Sindh Sales Tax on management fee payable	332	134
Selling and marketing expenses payable	13,078	2,135
Sales Load Payable	4,455	4,240
Sindh Sales Tax on sales load payable	579	551
Investment of 9,522,044 units (June 30, 2022: Nil units)	476,102	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	2,513	1,834
Sindh Sales Tax on remuneration of the Trustee	327	238
Security deposit	100	100
Meezan Bank Limited		
Balance with bank	53,969	458,682
Profit receivable on saving account	1,335	1,202
Sales Load Payable	14,088	13,609
Sindh Sales Tax on sales load payable	1,832	1,769
Shariah advisor fee payable	796	539
ATM deposit	1,000	1,000
Meezan Strategic Allocation Fund - MSAP - I		
Investment of 946,874 units (June 30, 2022: 1,667,038 units)	47,344	83,352
Meezan Strategic Allocation Fund - MSAP - II		
Investment of 719,197 units (June 30, 2022: 1,452,507 units)	35,960	72,625
Meezan Strategic Allocation Fund - MSAP - III		
Investment of 796,843 units (June 30, 2022: 923,647 units)	39,842	46,182
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of 268,904 units (June 30, 2022: 409,858 units)	13,445	20,493
Meezan Strategic Allocation Fund - MSAP - V		
Investment of 92,704 units (June 30, 2022: 220,543 units)	4,635	11,027
Meezan Financial Planning Fund Of Funds - MAAP - I		
Investment of 296,500 units (June 30, 2022: 340,490 units)	14,825	17,025
Directors and Executives of the Management Company		
Investment of 13,885,654 units (June 30, 2022: 7,558,695 units)	694,283	377,935
		For the period from September 30, 2022 September 14, 2021 to September 30, 2021 (Rupees in '000)
Transactions during the quarter		
Al Meezan Investment Management Limited - Management Company		
Remuneration of the Management Company	41,035	-
Sindh Sales Tax on remuneration of the Management Company	5,335	-
Selling and marketing expenses	10,943	-
Units issued: 14,322,044 units (September 30, 2021: 40,098,707 units)	716,102	2,004,935
Units redeemed: 4,800,000 units (September 30, 2021: nil units)	240,000	-
Dividend paid	10,965	5,806


 For the period
 from

September 30, 2022 **September 14, 2021 to September 30, 2021**

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

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	6,839	72
Sindh Sales Tax on remuneration of the Trustee	889	9
CDS charges	2	-

Meezan Bank Limited

Profit on savings account	2,888	18
Shariah advisory fee	257	-
Term deposit receipt placed	2,500,000	-
Term deposit receipt matured	2,500,000	-
Profit on term deposit receipts	31,014	-

Meezan Strategic Allocation Fund - MSAP - I

Units issued: 41,136 units (September 30, 2021: nil units)	2,057	-
Units redeemed: 761,300 units (September 30, 2021: nil units)	38,065	-
Dividend paid	1,780	-

Meezan Strategic Allocation Fund - MSAP - II

Units issued: 35,601 units (September 30, 2021: nil units)	1,780	-
Units redeemed: 768,911 units (September 30, 2021: nil units)	38,446	-
Dividend paid	5,564	-

Meezan Strategic Allocation Fund - MSAP - III

Units issued: 30,996 units (September 30, 2021: nil units)	1,550	-
Units redeemed: 157,800 units (September 30, 2021: nil units)	7,890	-
Dividend paid	1,550	-

Meezan Strategic Allocation Fund - MSAP - IV

Units issued: 52,046 units (September 30, 2021: nil units)	2,602	-
Units redeemed: 193,000 units (September 30, 2021: nil units)	9,650	-
Dividend paid	552	-

Meezan Strategic Allocation Fund - MSAP - V

Units issued: 5,760 units (September 30, 2021: nil units)	288	-
Units redeemed: 133,600 units (September 30, 2021: nil units)	6,680	-
Dividend paid	288	-

Meezan Financial Planning Fund Of Funds - MAAP - I

Units issued: 11,610 units (September 30, 2021: nil units)	581	-
Units redeemed: 55,600 units (September 30, 2021: nil units)	2,780	-
Dividend paid	580	-

Directors and Executives of the Management Company

Units issued: 11,820,147 units (September 30, 2021: 107,155 units)	591,007	5,358
Units redeemed: 5,493,189 units (September 30, 2021: 107,155 units)	274,659	5,358
Dividend Paid	13,717	6

13 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

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

or indirectly (i.e. derived from prices); and

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

As at September 30, 2022, the Fund held the following financial instruments measured at fair values:

September 30, 2022			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'			
Sukuk certificates*	6,425,000	-	-
Certificates of musharaka*	2,544,000	-	-
-	8,969,000	-	-
	<u>8,969,000</u>	<u>-</u>	<u>-</u>

June 30, 2022			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'			
Sukuk certificates*	4,350,000	-	-
Certificates of musharaka*	2,944,000	-	-
-	7,294,000	-	-
	<u>7,294,000</u>	<u>-</u>	<u>-</u>

* 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.

14 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 13, 2022 by the Board of Directors of the Management Company.

15 GENERAL

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

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

Chief Executive Officer

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

SALTORO KANGRI K10

An educated investor and an empowered climber both execute decisions promptly.

Height 7,742 meters
belongs to the range Saltoro Karakoram



MEEZAN CASH FUND (MCF)

Meezan Cash Fund is Pakistan's first Shariah Compliant Money Market Fund. It 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.



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

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

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Mr. Salman Muslim

BOARD AUDIT COMMITTEE

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

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

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

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Mohammad Shoaib, CFA	Member
Mr. Faiz ur Rehman	Subject Matter Expert

TRUSTEE

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

AUDITORS

EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road,
P.O. Box 15541, Karachi 75530

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Alfalah Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited -Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking

MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
Sindh Bank Limited
The Bank of Punjab
UBL Ameen - Islamic Banking

LEGAL ADVISER

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

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2022



Meezan
Cash Fund

		September 30, 2022 (Unaudited) (Rupees in '000)	June 30, 2022 (Audited)
Assets			
Balances with banks	5	14,957,490	9,417,419
Investments	6	2,605,000	4,055,000
Receivable against conversion of units		147,525	85,601
Profit receivable		277,786	194,446
Deposits and prepayments		540	597
Total assets		17,988,341	13,753,063
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	18,819	4,734
Payable to Central Depository Company of Pakistan Limited - Trustee		891	724
Payable to the Securities and Exchange Commission of Pakistan		795	2,698
Payable against conversion and redemption of units		28,269	106,817
Accrued expenses and other liabilities	8	36,015	153,566
Total liabilities		84,789	268,539
Net assets		17,903,552	13,484,524
Contingencies and commitments	9		
Unit holders' fund (as per statement attached)		17,903,552	13,484,524
		(Number of units)	
Number of units in issue		342,231,370	266,418,387
		(Rupees)	
Net asset value per unit		52.3142	50.6141

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, 2022

	September 30,	
Note	2022	2021
	(Rupees in '000)	
Income		
Profit on term deposit receipts	22,345	28,931
Profit on commercial papers and sukuk certificates	98,589	29,955
Profit on saving accounts with banks	448,808	179,841
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)	-	72,854
Total income	569,742	311,581
Expenses		
Remuneration of AI Meezan Investment Management Limited		
- Management Company	7.1 19,870	17,325
Sindh Sales Tax on remuneration of the Management Company	2,583	2,252
Allocated expenses	7.2 5,961	5,198
Selling and marketing expenses	7.3 11,922	10,395
Remuneration of Central Depository Company of Pakistan Limited - Trustee	2,186	2,252
Sindh Sales Tax on remuneration of the Trustee	284	293
Annual fee to the Securities and Exchange Commission of Pakistan	795	693
Auditors' remuneration	131	185
Fees and subscription	351	359
Legal and professional charges	-	184
Printing expense	9	-
Bank and settlement charges	183	147
Total expenses	44,275	39,283
Net income for the quarter before taxation	525,467	272,298
Taxation	12 -	-
Net income for the quarter after taxation	525,467	272,298
Allocation of net income for the quarter		
Net income for the quarter after taxation	525,467	272,298
Income already paid on units redeemed	(96,383)	(41,082)
	429,084	231,216
Accounting income available for distribution		
- Relating to capital gains	-	-
- Excluding capital gains	429,084	231,216
	429,084	231,216

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, 2022

	September 30,	
	2022	2021
	(Rupees in '000)	
Net income for the quarter after taxation	525,467	272,298
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u>525,467</u>	<u>272,298</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, 2022

	September 30, 2022			September 30, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the quarter	13,356,577	127,947	13,484,524	13,448,645	108,369	13,557,014
Issuance of 269,503,180 units (September 30, 2021: 145,352,066 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	13,640,660	-	13,640,660	7,345,788	-	7,345,788
- Element of income	230,428	-	230,428	71,148	-	71,148
Total proceeds on issuance of units	13,871,088	-	13,871,088	7,416,936	-	7,416,936
Redemption of 193,690,197 units (September 30, 2021: 153,390,089 units)						
- Capital value (at net asset value per unit at the beginning of the quarter)	9,803,455	-	9,803,455	7,752,014	-	7,752,014
- Element of loss	77,689	96,383	174,072	40,669	41,082	81,751
Total payments on redemption of units	9,881,144	96,383	9,977,527	7,792,683	41,082	7,833,765
Total comprehensive income for the quarter	-	525,467	525,467	-	272,298	272,298
Distribution during the quarter	-	-	-	-	-	-
Net income for the quarter less distribution	-	525,467	525,467	-	272,298	272,298
Net assets at the end of the quarter	17,346,521	557,031	17,903,552	13,072,898	339,585	13,412,483
Undistributed income brought forward						
- Realised income		127,947			108,369	
- Unrealised income		-			-	
		<u>127,947</u>			<u>108,369</u>	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		429,084			231,216	
		<u>429,084</u>			<u>231,216</u>	
Undistributed income carried forward		<u>557,031</u>			<u>339,585</u>	
Undistributed income carried forward						
- Realised income		557,031			339,585	
- Unrealised income		-			-	
		<u>557,031</u>			<u>339,585</u>	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the quarter			<u>50.6141</u>			<u>50.5379</u>
Net assets value per unit at the end of the quarter			<u>52.3142</u>			<u>51.5436</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, 2022



	September 30,	
Note	2022	2021
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	525,467	272,298
Decrease in assets		
Investments - net	150,000	582,811
Deposits and prepayments	57	55
Profit receivable	(83,340)	2,241
	66,717	585,107
Decrease in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	14,085	15,240
Payable to Central Depository Company of Pakistan Limited - Trustee	167	17
Payable to the Securities and Exchange Commission of Pakistan	(1,903)	(2,271)
Accrued expenses and other liabilities	(117,551)	(154,306)
	(105,202)	(141,320)
Net cash generated from operating activities	486,982	716,085
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	13,809,164	7,763,631
Payments against redemption and conversion of units	(10,056,075)	(7,908,829)
Net cash generated from / (used in) financing activities	3,753,089	(145,198)
Net increase in cash and cash equivalents during the quarter	4,240,071	570,887
Cash and cash equivalents at the beginning of the quarter	10,717,419	11,970,565
Cash and cash equivalents at the end of the quarter	5.2 14,957,490	12,541,452

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, 2022

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 (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 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 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. 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 categorized as an open-end Shariah Compliant (Islamic) Money Market Scheme listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 27, 2021 (2021: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2022 (2021: 'AM1' dated June 23, 2021). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA(f) by VIS Credit Rating Company Limited dated December 27, 2021 (2021: AA(f) dated January 12, 2021).
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

These condensed interim financial statements are unaudited. However, in compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2022.

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

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

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, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2022.

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, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	September 30, 2022 (Unaudited) (Rupees in '000)	June 30, 2022 (Audited)
In savings accounts	5.1	14,957,299	9,417,232
In current accounts		191	187
		<u>14,957,490</u>	<u>9,417,419</u>

5.1 The balance in saving accounts have an expected profit ranging from 3% to 16.30% per annum (June 30, 2022: 3.00% to 16.25% per annum).

5.2 Cash and cash equivalents	Note	September 30, 2022 (Unaudited) (Rupees in '000)	June 30, 2022 (Audited)
Balances with banks	5	14,957,490	9,417,419
Term deposit receipts - having original maturity of 3 months or less	6	-	1,300,000
		<u>14,957,490</u>	<u>10,717,419</u>

6. INVESTMENTS

At fair value through profit or loss

Corporate sukuk certificates	6.1	2,605,000	2,755,000
Term deposit receipts	6.2	-	1,300,000
		<u>2,605,000</u>	<u>4,055,000</u>

6.1 Corporate sukuk certificates

Name of the security	Maturity date	Profit rate	As at July 1, 2022	Purchased during the quarter	Sold / redeemed during the quarter	As at September 30, 2022	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Unrealised appreciation/ (diminution) as at September 30, 2022	Percentage in relation to	
										Net assets of the Fund	Total market value of investments
						(Number of certificates)			(Rupees in '000)		
									%		
K-Electric Limited - III (A-1+, PACRA)	Sep 01, 2022	6 months KIBOR plus base rate of 0.85%	450	-	450	-	-	-	-	-	-
K-Electric Limited - IV (A-1+, PACRA)	Sep 23, 2022	6 month KIBOR plus base rate of 0.85%	450	-	450	-	-	-	-	-	-
K-Electric Limited - V (A-1+, PACRA)	October 13, 2022	6 months KIBOR plus base rate of 0.95%	750	-	-	750	750,000	750,000	-	4.2%	29%
Hub Power Company Limited (AA+, PACRA)	October 27, 2022	6 months KIBOR plus base rate of 1%	3,250	-	-	3,250	325,000	325,000	-	1.8%	12%
Lucky Electric (A-1+, PACRA)	December 15, 2022	6 months KIBOR plus base rate of 1.2%	800	-	-	800	800,000	800,000	-	4.5%	31%
K-Electric Limited - IX (A-1+, PACRA)	March 21, 2023	6 months KIBOR plus base rate of 1.40%	-	430	-	430	430,000	430,000	-	2.4%	17%
Lucky Electric - IV (A-1+, PACRA)	March 28, 2023	6 months KIBOR plus base rate of 1.50%	-	300	-	300	300,000	300,000	-	1.7%	12%
Total as at September 30, 2022							<u>2,605,000</u>	<u>2,605,000</u>			
Total as at June 30, 2022							<u>2,755,000</u>	<u>2,755,000</u>			

6.1 The nominal value of these sukuk certificates is Rs 1,000,000 each, except the Hub Power Company Limited Sukuk having nominal value of Rs 100,000 each. The profit payments and principal redemptions of these sukuk certificates are receivable at maturity.

6.2 Term deposit receipts

Name of the bank	Maturity	Profit rate	As at July 1, 2022	Term deposit receipts placed during the quarter	Matured during the quarter	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Unrealised appreciation/ (diminution) as at September 30, 2022	Percentage in relation to	
									Net assets of the fund	Total market value of investment
		%	(Rupees in '000)					----(%)----		
Bank Alfalah Limited	July 13, 2022	16.20%	1,300,000	-	1,300,000	-	-	-	-	-
Meezan Bank Limited	August 29, 2022	14.15%	-	1,200,000	1,200,000	-	-	-	-	-
Total as at September 30, 2022				<u>1,200,000</u>	<u>2,500,000</u>	-	-	-		
Total as at June 30, 2022				<u>1,300,000</u>	<u>1,300,000</u>	-	-	-		

6.2.1 The profit and principal of term deposit receipts is receivable at maturity.



	Note	September 30, 2022 (Unaudited) (Rupees in '000)	June 30, 2022 (Audited)
7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Management fee payable	7.1	1,247	1,109
Sindh Sales Tax payable on remuneration of the Management Company		162	144
Allocated expenses payable	7.2	2,120	113
Selling and marketing expenses payable	7.3	15,290	3,368
		18,819	4,734

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% of average annual net assets of the Fund (September 30,2021: 0.5% per annum of the average net assets of the fund). The remuneration is payable to the Management Company monthly in arrears.

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

The management company based on its own discretion charged 0.15% of the average annual net assets of the scheme for allocation of such expenses to the Fund (September 30,2021: 0.15% of the average annual net assets of the scheme).

7.3 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan.

Accordingly, the Management Company has charged selling and marketing expenses based on its discretion while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008 at the rate of 0.3% per annum of the average annual net assets of the fund (September 30,2021: 0.3% of the average annual net assets of the fund).

	Note	September 30, 2022 (Unaudited) (Rupees in '000)	June 30, 2022 (Audited)
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
Withholding tax payable		218	111,902
Capital gain tax payable		6,511	12,791
Provision for Federal Excise Duty and related Sindh Sales tax on remuneration of the management company	8.1	27,018	27,018
Shariah advisor fee payable		928	661
Auditors' remuneration payable		496	365
Dividend payable		127	-
Other expenses payable		202	70
Zakat payable		515	759
		36,015	153,566

- 8.1** The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2022. Had the provision of Federal Excise Duty not being made, the net asset value per unit as at September 30, 2022 would have been higher by Re. 0.08 (June 30, 2022: Rs. 0.10) per unit.

9. CONTINGENCIES AND COMMITMENTS

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

10. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.11% (September 30, 2021: 1.13%) which includes 0.09% (September 30, 2021: 0.09%) representing levies such as Sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Money Market scheme.

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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:

Balances	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Management fee payable	1,247	1,109
Sindh Sales Tax payable on remuneration of the Management Company	162	144
Selling and marketing expenses payable	15,290	3,368
Allocated expenses payable	2,120	113
Meezan Bank Limited		
Balance with bank	163,295	539,768
Profit receivable on saving accounts	872	656
Shariah advisor fee payable	928	661
ATM deposit	200	200
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	789	641
Sindh Sales Tax on trustee fee payable	102	83
Security deposit	100	100
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Investment of units 259,844 (June 30, 2022: 259,844 units)	13,593	13,157
Directors and executives of the Management Company		
Investment of units 832,571 (June 30, 2022: 7,830,474 units)	43,555	396,332


Transactions during the period
**For the quarter ended
September 30,**
Al Meezan Investment Management Limited - the Management Company

	2022 (Unaudited)	2021 (Unaudited)
Remuneration for the period	19,870	17,325
Sindh Sales Tax on remuneration of the Management Company	2,583	2,252
Allocated expenses	5,961	5,198
Selling and marketing expenses	11,922	10,395

Meezan Bank Limited

Profit on saving accounts	3,573	707
Term deposit receipt placed	1,200,000	-
Term deposit matured	1,200,000	-
Profit on term deposit receipt	14,887	-
Shariah advisor fee	267	276

Central Depository Company of Pakistan Limited - Trustee

Remuneration of Central Depository Company of Pakistan Limited - Trustee	2,186	2,252
Sindh Sales Tax on remuneration of the Management Company	284	293
CDS charges	2	2

Directors and Executives of the Management Company

Units issued: 553,531 units (2021: 420,047 units)	28,454	21,441
Units redeemed: 7,551,438 units (2021: 1,803,136 units)	390,220	92,276

12. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these condensed interim financial statements.

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

13. 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, 2022 and June 30, 2022, the Fund held the following financial instruments measured at fair value:

As at September 30, 2022			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
ASSETS			
Financial assets 'at fair value through profit or loss'			
Corporate sukuku *	-	2,605,000	-
	-	2,605,000	2,605,000
	-	-	2,605,000
	-	-	2,605,000
----- (Rupees in '000) -----			
As at June 30, 2022			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
ASSETS			
Financial assets 'at fair value through profit or loss'			
Corporate sukuku *	-	2,755,000	-
Term deposit receipts	-	1,300,000	-
	-	4,055,000	-
	-	-	4,055,000
	-	-	4,055,000
	-	-	4,055,000

* 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.

14. GENERAL

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

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on October 13, 2022 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

TIRICH MIR

Investments and mountain climbing teach you about change, and how to prepare for changes.

Height 7,708 meters,
belongs to the range Hindu Kush



MEEZAN ROZANA AMDANI FUND (MRAF)

Meezan Rozana Amdani Fund's investment objective is to meet liquidity needs of investors by providing investors a daily payout through investment in Shariah Compliant money market 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. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Mr. Salman Muslim

BOARD AUDIT COMMITTEE

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

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

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

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Mohammad Shoaib, CFA	Member
Mr. Faiz ur Rehman	Subject Matter Expert

TRUSTEE

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

AUDITORS

EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road,
P.O. Box 15541, Karachi 75530

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited - Islamic Banking
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Of Punjab - Islamic Banking
Bank Alfalah Limited

Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited - Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking
Meezan 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
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

**MEEZAN ROZANA AMDANI FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2022**



Meezan
Rozana Amdani
Fund

	September 30, 2022	June 30, 2022
	(Unaudited)	(Audited)
	(Rupees in '000)	
Note		
Assets		
Balances with banks	5 59,128,309	64,902,950
Investments	6 16,905,000	7,025,000
Receivable against conversion of units	122,464	412,683
Accrued profit	878,981	822,165
Deposit and prepayments	1,266	1,300
Preliminary expenses and floatation costs	249	300
Total assets	<u>77,036,269</u>	<u>73,164,398</u>
Liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	7 25,305	3,400
Payable to Central Depository Company of Pakistan Limited - Trustee	3,259	3,110
Payable to the Securities and Exchange Commission of Pakistan	3,373	10,366
Payable against conversion and redemption of units	34,427	303,764
Dividend payable	31,347	-
Accrued expenses and other liabilities	8 130,645	83,819
Total liabilities	<u>228,356</u>	<u>404,459</u>
Net assets	<u>76,807,913</u>	<u>72,759,939</u>
Unit holders' fund (as per statement attached)	<u>76,807,913</u>	<u>72,759,939</u>
Contingencies and commitments	9	
	----- (Number of units) -----	
Number of units in issue	<u>1,536,158,261</u>	<u>1,455,198,746</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, 2022

		September 30,	
		2022	2021
		(Rupees in '000)	
Income	Note		
Profit on commercial papers and sukuks		215,583	71,818
Profit on term deposit receipts		361,662	145,465
Profit on Bai muajjal		-	159,293
Profit on savings accounts with banks		1,883,684	653,149
Net realised loss on sale of investments		-	(1,685)
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)		-	141,199
Total income		2,460,929	1,169,239
Expenses			
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	55,647	26,467
Sindh Sales Tax on remuneration of the Management Company		7,234	3,441
Selling and marketing expenses	7.2	20,235	7,092
Remuneration of Central Depository Company of Pakistan Limited - Trustee		9,275	9,561
Sindh Sales Tax on remuneration of the Trustee		1,206	1,243
Annual fee to the Securities and Exchange Commission of Pakistan		3,373	2,942
Auditors' remuneration		149	160
Amortisation of preliminary expenses and floatation costs		50	50
Fees and subscription		333	332
Legal and professional charges		-	184
Brokerage expense		-	362
Bank and settlement charges		1,002	776
Printing expense		49	-
Total expenses		98,553	52,610
Net income for the quarter before taxation		2,362,376	1,116,629
Taxation	12	-	-
Net income for the quarter after taxation		2,362,376	1,116,629
Allocation of net income for the quarter			
Net income for the quarter after taxation		2,362,376	1,116,629
Income already paid on units redeemed		-	-
		2,362,376	1,116,629
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		2,362,376	1,116,629
		2,362,376	1,116,629

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, 2022**

	September 30,	
	2022	2021
	(Rupees in '000)	
Net income for the quarter after taxation	2,362,376	1,116,629
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>2,362,376</u>	<u>1,116,629</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
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	September 30, 2022			September 30, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the quarter	72,759,937	-	72,759,937	74,704,297	-	74,704,297
Issuance of 983,229,596 units (2021: 455,474,074 units)						
- Capital value (at net asset value per unit at the beginning of the period)	49,161,480	-	49,161,480	22,773,704	-	22,773,704
- Element of income	-	-	-	-	-	-
Total proceeds on issuance of units	49,161,480	-	49,161,480	22,773,704	-	22,773,704
Redemption of 902,270,081 units (2021: 992,864,494 units)						
- Capital value (at net asset value per unit at the beginning of the period)	45,113,504	-	45,113,504	49,643,226	-	49,643,226
- Element of loss	-	-	-	-	-	-
Total payments on redemption of units	45,113,504	-	45,113,504	49,643,226	-	49,643,226
Total comprehensive income for the quarter	-	2,362,376	2,362,376	-	1,116,629	2,054,939
Distribution during the quarter *	-	(2,362,376)	(2,362,376)	-	(1,116,629)	(2,054,939)
Net income for the quarter less distribution	-	-	-	-	-	-
Net assets at the end of the period	76,807,913	-	76,807,913	47,834,775	-	47,834,775
Undistributed income brought forward						
- Realised income	-	-	-	-	-	-
- Unrealised income	-	-	-	-	-	-
Accounting income available for distribution						
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	2,362,376		2,362,376	1,116,629		1,116,629
Distribution during the period *	(2,362,376)		(2,362,376)	(1,116,629)		(1,116,629)
Undistributed income carried forward	-		-	-		-
Undistributed income carried forward						
- Realised income	-		-	-		-
- Unrealised income	-		-	-		-
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			50.0000			50.0000
Net asset value per unit at the end of the period			50.0000			50.0000

* Meezan Rozana Amdani Fund is required to distribute dividend on a daily basis on each business day. The cumulative distribution per unit for the nine months period ended September 30, 2022 amounted to Rs. 1.7646 (September 30, 2021: Rs. 0.9670) per unit.

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, 2022



Meezan
 Rozana Amdani
 Fund

	September 30,	
	2022	2021
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	2,362,376	1,116,629
Adjustments for:		
Amortisation of preliminary expenses and floatation costs	50	51
	<u>2,362,426</u>	<u>1,116,680</u>
(Increase) / Decrease in assets		
Investments - net	(5,875,000)	(7,876,150)
Deposits and prepayments	34	88,462
Accrued profit	(56,816)	33
	(5,931,782)	(7,787,655)
Increase / (decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	21,905	15,339
Payable to Central Depository Company of Pakistan Limited - Trustee	149	(536)
Payable to the Securities and Exchange Commission of Pakistan	(6,993)	(6,150)
Accrued expenses and other liabilities	46,825	(129,161)
	61,886	(120,508)
Net cash generated from / (used in) operating activities	<u>(3,507,470)</u>	<u>(6,791,483)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	49,451,699	23,114,359
Payments against redemption and conversion of units	(45,382,841)	(49,882,715)
Dividend paid	(2,331,029)	(1,107,590)
Net cash generated from / (used in) financing activities	1,737,829	(27,875,946)
Net increase / (decrease) in cash and cash equivalents during the quarter	(1,769,641)	(34,667,429)
Cash and cash equivalents at the beginning of the quarter	67,602,950	68,613,167
Cash and cash equivalents at the end of the quarter	5.2 <u><u>65,833,309</u></u>	<u><u>33,945,738</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 ROZANA AMDANI FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Rozana Amdani Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed 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. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund is an open-end Shariah Compliant Money Market Scheme and has the following specific features:

- (a) Dividend will be distributed to the entitled unit holders on a daily basis (i.e. each business day); and
- (b) Daily dividend received by the unit holders shall be reinvested.

By distributing dividend on a daily basis, the Management Company is required to ensure that total distribution in an accounting period accumulates to an amount that is required under the tax laws and other regulations in force.

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

1.5 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 27, 2021 (2021: 'AM1' dated December 31, 2020) and by PACRA dated June 23, 2022 (2021: 'AM1' dated June 23, 2021). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA+(f) by VIS Credit Rating Company Limited dated December 27, 2021 (2021: AA+(f) dated January 12, 2021).

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

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, along with part 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 VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

These condensed interim financial statements are unaudited. However, in compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2022.

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

- 4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.
- 4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2022.

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

		September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
		(Rupees in '000)	
5. BALANCES WITH BANKS	Note		
Balances with banks in:			
Savings accounts	5.1	59,128,266	64,902,906
Current accounts		43	44
		<u>59,128,309</u>	<u>64,902,950</u>

- 5.1 The balance in saving accounts have an expected profit ranging from 4.75% to 16.30% per annum (June 30, 2022: 4.00% to 16.40% per annum).

		September 30, 2022 (Unaudited)	June 30, 2022 (Unaudited)
		(Rupees in '000)	
5.2 Cash and cash equivalents	Note		
Balances with banks	5	59,128,309	64,902,950
Term deposit receipts having original maturity of three months or less	6.2	6,705,000	2,700,000
		<u>65,833,309</u>	<u>67,602,950</u>

**September 30,
2022
(Unaudited)
(Rupees in '000)**

**June 30,
2022
(Audited)
(Rupees in '000)**

6. INVESTMENTS

At fair value through profit or loss

Corporate sukuku	6.1	6,200,000	4,325,000
Term deposit receipts	6.2	10,705,000	2,700,000
		16,905,000	7,025,000

6.1 Corporate sukuk certificates

Name of the security	Maturity date	Profit rate	As at July 1, 2022	Purchased during the quarter	Sold / redeemed during the quarter	As at September 30, 2022	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Unrealised appreciation/ (diminution) as at September 30, 2022	Percentage in relation to	
			(Number of certificates)			(Rupees in '000)		Net assets of the Fund		Total market value of investments	
K-Electric Limited - I (A-1+, PACRA) (note 6.1.1)	August 04, 2022	6 months KIBOR plus base rate of 0.85%	-	675	675	-	-	-	-	-	-
K-Electric Limited - II (A-1+, PACRA) (note 6.1.1)	August 15, 2022	6 months KIBOR plus base rate of 0.85%	-	625	625	-	-	-	-	-	-
K-Electric Limited - III (A-1+, PACRA) (note 6.1.1)	September 01, 2022	6 months KIBOR plus base rate of 0.85%	-	675	675	-	-	-	-	-	-
K-Electric Limited - IV (A-1+, PACRA) (note 6.1.1)	September 23, 2022	6 months KIBOR plus base rate of 0.85%	-	600	600	-	-	-	-	-	-
The Hub Power Company Limited PPSTS (AA+, PACRA) (note 6.1.1)	October 27, 2022	6 months KIBOR plus base rate of 1%	-	6,000	-	6,000	600,000	600,000	-	0.78%	3.55%
K-Electric Limited - V (A-1+, PACRA) (note 6.1.1)	October 13, 2022	6 months KIBOR plus base rate of 0.95%	-	150	-	150	150,000	150,000	-	0.20%	0.89%
Luckey Electric Limited - II (A-1+, PACRA) (note 6.1.1)	December 15, 2022	6 months KIBOR plus base rate of 1.2%	-	1,000	-	1,000	1,000,000	1,000,000	-	1.30%	5.92%
Luckey Electric Limited - III (A-1+, PACRA) (note 6.1.1)	January 09, 2023	6 months KIBOR plus base rate of 1.2%	-	750	-	750	750,000	750,000	-	0.98%	4.44%
China Power Hub Generation Company (PVT) Limited - I (A-1+, PACRA) (note 6.1.1)	January 30, 2023	6 months KIBOR plus base rate of 1.35%	-	1,200	-	1,200	1,200,000	1,200,000	-	1.56%	7.10%
K-Electric Limited - VII (A-1+, PACRA) (note 6.1.1)	February 10, 2023	6 months KIBOR plus base rate of 1.2%	-	750	-	750	750,000	750,000	-	0.98%	4.44%
K-Electric Limited - VIII (A-1+, PACRA) (note 6.1.1)	February 28, 2023	6 months KIBOR plus base rate of 1.35%	-	400	-	400	400,000	400,000	-	0.52%	2.37%
K-Electric Limited - IX (A-1+, PACRA) (note 6.1.1)	March 21, 2023	6 months KIBOR plus base rate of 1.40%	-	600	-	600	600,000	600,000	-	0.78%	3.55%
Luckey Electric Limited - IV (A-1+, PACRA) (note 6.1.1)	March 28, 2023	6 months KIBOR plus base rate of 1.5%	-	750	-	750	750,000	750,000	-	0.98%	4.44%
Total as at September 30, 2022							6,200,000	6,200,000		8.08%	36.70%
Total as at June 30, 2022							4,325,000	4,325,000		5.94%	61.57%

6.1.1 * The nominal value of these sukuk certificates is Rs 1000,000 each, except The Hub Power Company Limited Sukuk having the nominal value of Rs. 100,000 each. The profit payments and principal redemptions of these sukuk certificates are receivable at maturity.

6.2 Term deposit receipts

Name of the bank	Maturity date	Profit rate	As at July 1, 2022	Placed during the quarter	Matured during the quarter	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Unrealised appreciation/ (diminution) as at September 30, 2022	Percentage in relation to	
									Net assets of the Fund	Total market value of investments
(Rupees in '000)									%	
Bank Alfalah Limited	July 13, 2022	16.20%	2,700,000	-	2,700,000	-	-	-	-	-
Bank Alfalah Limited	August 20, 2022	14.85%	-	6,000,000	6,000,000	-	-	-	-	-
Meezan Bank Limited (related party)	August 29, 2022	14.15%	-	5,900,000	5,900,000	-	-	-	-	-
Meezan Bank Limited (related party)	September 5, 2022	14.25%	-	5,000,000	5,000,000	-	-	-	-	-
Bank Alfalah Limited	September 22, 2022	15.25%	-	6,000,000	6,000,000	-	-	-	-	-
Bank Alfalah Limited	December 22, 2022	15.50%	-	6,000,000	-	6,000,000	6,000,000	-	7.81%	35.49%
The Bank of Punjab	February 16, 2023	15.80%	-	3,000,000	-	3,000,000	3,000,000	-	3.91%	17.75%
The Bank of Punjab	February 23, 2023	15.80%	-	1,000,000	-	1,000,000	1,000,000	-	1.30%	5.92%
Askari Bank Limited	December 26, 2022	15.50%	-	705,000	-	705,000	705,000	-	0.92%	4.17%
Total as at September 30, 2022						10,705,000	10,705,000		13.94%	63.33%
Total as at June 30, 2022						2,700,000	2,700,000		3.71%	38.43%

6.2.1 The profit payments and principal redemptions of these term deposit receipts are receivable at maturity.

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	September 30, 2022	June 30, 2022
		(Unaudited)	(Audited)
		(Rupees in '000)	
Remuneration payable	7.1	3,279	1,802
Sindh Sales Tax payable on remuneration of the Management Company		426	234
Selling and marketing expenses payable	7.2	21,600	1,364
		25,305	3,400

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, 2022 the Management Company has charged remuneration 0.33% of average annual net assets of the Fund. The remuneration is payable to the Management Company monthly in arrears.

7.2 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion has charged 0.12% selling and marketing expense of the average annual net assets of the Fund,

8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	September 30, 2022	June 30, 2022
		(Unaudited)	(Audited)
		(Rupees in '000)	
Auditors' remuneration payable		439	290
Shariah advisor fee payable		808	537
Withholding tax payable		126,331	80,207
CDS charges payable		2,969	2,544
Other payable		16	230
Zakat payable		82	11
		130,645	83,819

9. CONTINGENCIES AND COMMITMENTS

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

10. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at September 30, 2022 based on current period results is 0.58% (September 30, 2021: 0.36%) which includes 0.07% (September 30, 2021: 0.05%) representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a 'Money Market Scheme'.

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, 2022 (Unaudited)	June 30, 2022 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	3,279	1,802
Sindh Sales Tax payable on remuneration of the Management Company	426	234
Selling and marketing expenses payable	21,600	1,364
Investment of 6,417,369 units (June 30, 2022: 1,179,212 units)	320,868	58,961
Meezan Bank Limited		
Balances with bank	100,730	86,416
Profit receivable on savings accounts	883	1,986
Shariah advisor fee payable	808	537
ATM deposit	1,000	1,000
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	2,884	2,752
Sindh Sales Tax payable on remuneration of the Trustee	375	358
Security deposit	100	100
CDS charges payable	2,969	2,544
Investment of 3,066,281 units (June 30, 2022: nil units)	153,314	-
Meezan Strategic Allocation Fund - MCPP - III		
Investment of 2,992,518 units (June 30, 2022: 3,503,861 units)	149,626	175,193
Meezan Strategic Allocation Fund -II - MCPP - IV		
Investment of 7,842,004 units (June 30, 2022: 7,987,860 units)	392,100	399,393
Meezan Strategic Allocation Fund-II - MCPP - V		
Investment of 930,209 units (June 30, 2022: 1,129,971 units)	46,510	56,499
Meezan Strategic Allocation Fund II- MCPP - VI		
Investment of 1,025,840 units (June 30, 2022: 1,331,913 units)	51,292	66,596
Meezan Strategic Allocation Fund II- MCPP - VII		
Investment of 671,077 units (June 30, 2022: 781,119 units)	33,554	39,056



September 30, June 30,
2022 2022
(Unaudited) (Audited)
(Rupees in '000)

Meezan Strategic Allocation Fund III- MCPP - IX

Investment of 5,216,157 units (June 30, 2022: 6,682,038 units)

260,808 334,102

Unit holders holding 10 percent or more of the Fund

Investment of nil units (June 30, 2022: 152,229,568 units)

- 7,611,478

AI Meezan Investment Management Limited - Employees' Gratuity Fund

Investment of 519,515 units (June 30, 2022: 501,508 units)

25,976 25,075

Directors and Executives of the Management Company

Investment of 522,413 units (June 30, 2022: 7,428,001 units)

26,121 371,400

For the Quarter ended
September 30,

2022 2021

(Unaudited)

(Rupees in '000)

Transactions during the quarter

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

Remuneration of the Management Company

55,647 26,467

Sindh Sales Tax on remuneration of the Management Company

7,234 3,441

Selling and marketing expenses

20,235 7,092

Units issued: 6,438,157 units September 30, 2021: 30,617,055 units)

321,908 1,530,853

Units redeemed: 1,200,000 units (September 30, 2021: 48,660,000 units)

60,000 2,433,000

Dividend paid

1,892 32,100

Meezan Bank Limited

Profit on savings accounts

4,115 1,025

Term deposit receipt placed

10,900,000 -

Term deposit receipt matured

10,900,000 5,000,000

Profit on term deposit receipts

86,857 31,123

Shariah advisor fee

271 271

Central Depository Company of Pakistan Limited - The Trustee

Remuneration of the Trustee

9,275 9,561

Sindh Sales Tax on remuneration of the Trustee

1,206 1,243

CDS charges

426 505

Units issued: 3,066,281 units (September 30, 2021: nil units)

153,314 -

Dividend paid

3,314 -

Meezan Strategic Allocation Fund - MSAP - I

Units issued: nil units (September 30, 2021: 65,728 units)

- 3,286

Units redeemed: nil units (September 30, 2021: 416,400 units)

- 20,820

Dividend paid

- 3,254

Meezan Strategic Allocation Fund - MSAP - II

Units issued: nil units (September 30, 2021: 41,413 units)

- 2,071

Units redeemed: nil units (September 30, 2021: 297,000 units)

- 14,850

Dividend paid

- 2,071

	For the Quarter ended September 30,	
	2022	2021
	(Unaudited) (Rupees in '000)	
Transactions during the quarter		
Meezan Strategic Allocation Fund - MSAP - III		
Units issued: nil units (September 30, 2021: 48,418 units)	-	2,421
Units redeemed: nil units (September 30, 2021: 513,600 units)	-	25,680
Dividend paid	-	2,421
Meezan Strategic Allocation Fund - MSAP - IV		
Units issued: nil units (September 30, 2021: 17,598 units)	-	880
Units redeemed: nil units (September 30, 2021: 230,600 units)	-	11,530
Dividend paid	-	880
Meezan Strategic Allocation Fund - MSAP - V		
Units issued: nil units (September 30, 2021: 5,753 units)	-	288
Units redeemed: nil units (September 30, 2021: 12,000 units)	-	600
Dividend paid	-	288
Meezan Strategic Asset Allocation Fund - MCPP-III		
Units issued: 112,457 units (September 30, 2021: 374,023 units)	5,623	18,701
Units redeemed: 623,800 units (September 30, 2021: 143,000 units)	31,190	7,150
Dividend paid	5,623	4,201
Meezan Strategic Allocation Fund II- MCPP - IV		
Units issued: 277,544 units (September 30, 2021: 956,901 units)	13,877	47,845
Units redeemed: 423,400 units (September 30, 2021: 291,800 units)	21,170	14,590
Dividend paid	13,877	8,345
Meezan Strategic Allocation Fund II- MCPP - V		
Units issued: 40,238 units (September 30, 2021: 130,761 units)	2,012	6,538
Units redeemed: 240,000 units (September 30, 2021: 79,800 units)	12,000	3,990
Dividend paid	1,772	1,538
Meezan Strategic Allocation Fund II- MCPP - VI		
Units issued: 38,328 units (September 30, 2021: 35,041 units)	1,916	1,752
Units redeemed: 344,400 units (September 30, 2021: 126,600 units)	17,220	6,330
Dividend paid	1,916	1,752
Meezan Strategic Allocation Fund II- MCPP - VII		
Units issued: 63,758 units (September 30, 2021: 87,432 units)	3,188	4,372
Units redeemed: 173,800 units (September 30, 2021: 72,200 units)	8,690	3,610
Dividend paid	1,188	1,872
Meezan Strategic Allocation Fund II- MCPP - VIII		
Units issued: nil units (September 30, 2021: 8,804 units)	-	440
Units redeemed: nil units (September 30, 2021: 702,926 units)	-	35,146
Dividend paid	-	440
Meezan Strategic Allocation Fund III- MCPP - IX		
Units issued: 206,120 units (September 30, 2021: 81,149 units)	10,306	4,057
Units redeemed: 1,672,000 units (September 30, 2021: 44,400 units)	83,600	2,220
Dividend paid	10,306	1,057
AI Meezan Investment Management Limited - Employees' Gratuity Fund		
Units issued: 18,007 units (September 30, 2021: 8,325 units)	900	416
Dividend paid	900	416
Directors and Executives of the Management Company		
Units issued: 773,153 units (September 30, 2021: 458,049 units)	38,658	22,902
Units redeemed: 7,678,741 units (September 30, 2021: 696,508 units)	383,937	34,825
Dividend paid	5,516	654

12. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since, the management has distributed the required minimum percentage of income earned by the Fund for the quarter ended September 30, 2022 to the unit holders, therefore no provision for taxation has been made in these condensed interim financial statements.

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

13. FAIR VALUE MEASUREMENT

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

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

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

13.1 Fair value hierarchy

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

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

As at September 30, 2022 and June 30, 2022, the Fund held the following financial instruments measured at fair value:

ASSETS	As at September 30, 2022			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Corporate sukuk certificates *	-	6,200,000	-	6,200,000
Term deposit receipts *	-	10,705,000	-	10,705,000
	-	16,905,000	-	16,905,000
ASSETS	As at June 30, 2022			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Corporate sukuk certificates *	-	4,325,000	-	4,325,000
Term deposit receipts *	-	2,700,000	-	2,700,000
	-	7,025,000	-	7,025,000

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

14. GENERAL

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

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on October 13, 2022 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director



Al Meezan
Investment Management Ltd.

PASSU SAR

An investor and mountain climber survives adversity and challenges as they strive towards their goals.

Height 7,476 meters,
belongs to the range Batura Karakoram



MEEZAN FIXED TERM FUND(MFTF)

The "Meezan Paaidaar Munafa Plan-I "(MPMP-I)" and "Meezan Paaidaar Munafa Plan-II "(MPMP-II)" are allocation plans under "Meezan Fixed Term Fund" with an objective to provide investors with a competitive rate of return, for fixed tenure by investing primarily in Shariah Compliant TDRs and money market placements/ Instruments for a specific duration.



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

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

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Mr. Salman Muslim

BOARD AUDIT COMMITTEE

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

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

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

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Mohammad Shoaib, CFA	Member
Mr. Faiz ur Rehman	Subject Matter Expert

TRUSTEE

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

AUDITORS

EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road,
P.O. Box 15541, Karachi 75530

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Askari Bank Ltd - Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited
The Bank of Punjab - Islamic Banking
United Bank Limited- Islamic Banking

LEGAL ADVISER

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

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN FIXED TERM FUND
STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT SEPTEMBER 30, 2022**

As at September 30, 2022				
	MPMP-I	MPMP-II	Total	
Note	------(Rupees in '000)-----			
Assets				
Balances with banks	5	18,534	622,054	640,588
Investments	6	1,792,000	1,875,000	3,667,000
Accrued profit	7	16,148	29,389	45,537
Total assets		1,826,682	2,526,443	4,353,125
Liabilities				
Payable to AI Meezan Investment Management Limited - Management Company	8	299	2,295	2,594
Payable to Central Depository Company of Pakistan Limited - Trustee	9	16	81	97
Payable to the Securities and Exchange Commission of Pakistan (SECP)	10	5	26	31
Payable against conversion and redemption of units		549	503	1,052
Accrued expenses and other liabilities	11	11,421	8,964	20,385
Total liabilities		20,093	11,869	24,159
NET ASSETS		1,806,589	2,514,574	4,321,163
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,806,589	2,514,574	
CONTINGENCIES AND COMMITMENTS	12			
NUMBER OF UNITS IN ISSUE		36,060,002	49,930,000	
NET ASSET VALUE PER UNIT		50.0995	50.3620	

The annexed notes from 1 to 21 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN FIXED TERM FUND
INCOME STATEMENT (UNAUDITED)
FOR THE PERIOD FROM JUNE 09, 2022 TO SEPTEMBER 30, 2022**

		MPMP-I (Upon initial maturity)	MPMP-I	MPMP-II	Total
		For the period from June 09, 2022 to September 09, 2022	For the period from September 26, 2022 to September 30, 2022	For the period from September 12, 2022 to September 30, 2022	
	Note	------(Rupees in '000)-----			
Income					
Profit on saving accounts with banks		2,370	27	5,126	5,153
Profit on term deposit receipts		67,742	3,805	15,421	19,226
Other Income		114	-	-	-
Total income		70,226	3,832	20,547	24,379
Expenses					
Remuneration of Al Meezan Investment Management Limited - Management Company	8.1	2,078	181	2,023	2,204
Sindh Sales Tax on remuneration of the Management Company	8.2	270	23	263	286
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	322	14	72	86
Sindh Sales Tax on remuneration of the Trustee	9.2	42	2	9	11
Annual fees to the Securities and Exchange Commission of Pakistan	10	99	5	26	31
Auditors' remuneration	13	73	4	48	52
Formation Cost	8.1	90	5	9	14
Bank and settlement charges		47	-	-	-
Fees and subscription		108	9	16	25
Total expenses		3,129	243	2,466	2,709
Net income for the period before taxation		67,097	3,589	18,081	21,670
Taxation	15	-	-	-	-
Net income for the period after taxation		67,097	3,589	18,081	21,670
Allocation of net income for the period					
Net income for the period after taxation		67,097	3,589	18,081	21,670
Income already paid on units redeemed		(7,379)	-	(7)	(7)
		59,718	3,589	18,074	21,663
Accounting income available for distribution					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		59,718	3,589	18,074	21,663
		59,718	3,589	18,074	21,663

The annexed notes from 1 to 21 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director



MEEZAN FIXED TERM FUND
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD FROM JUNE 09, 2022 TO SEPTEMBER 30, 2022

	MPMP-I (Upon initial maturity)	MPMP-I	MPMP-II	
	For the period from June 09, 2022 to September 09, 2022	For the period from September 26, 2022 to September 30, 2022	For the period from September 12, 2022 to September 30, 2022	Total
	MPMP-I		MPMP-II	
	------(Rupees in '000)-----			
Net income for the period after taxation	67,097	3,589	18,081	21,670
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>67,097</u>	<u>3,589</u>	<u>18,081</u>	<u>21,670</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN FIXED TERM FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE PERIOD FROM JUNE 09, 2022 TO SEPTEMBER 30, 2022

For the period from June 09, 2022 to September 09, 2022			September 30, 2022			September 30, 2022			TOTAL		
Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
MPMP-I (upon initial maturity)			MPMP-I			MPMP-II			Total		
(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		

Issuance of units:

MPMP-I : 59,465,628 units / MPMP-II : 52,510,000 units

- Capital value (at par value)

- Element of income

Total proceeds on issuance of units

1,976,281	-	1,976,281	2,973,281	-	2,973,281	2,625,500	-	2,625,500	5,598,781	-	5,598,781
-	-	-	-	-	-	-	-	-	-	-	-
1,976,281	-	1,976,281	2,973,281	-	2,973,281	2,625,500	-	2,625,500	5,598,781	-	5,598,781

Redemption of units:

MPMP-I : 23,405,626 units / MPMP-II : 2,580,000 units

- Capital value (at par value)

- Element of loss

Total payments on redemption of units

1,170,343	-	1,170,343	1,170,281	-	1,170,281	129,000	-	129,000	1,299,281	-	1,299,281
-	7,379	7,379	-	-	-	-	7	7	-	7	7
1,170,343	7,379	1,177,722	1,170,281	-	1,170,281	129,000	7	129,007	1,299,281	7	1,299,288

Total comprehensive income for the period

Distribution during the period

Net income for the period less distribution

	67,097	67,097	-	3,589	3,589	-	18,081	18,081	-	21,670	21,670
	(59,718)	(59,718)	-	-	-	-	-	-	-	-	-
	-	7,379	-	3,589	3,589	-	18,081	18,081	-	21,670	21,670

Net assets at the end of the period

805,938	-	805,938	1,803,000	3,589	1,806,589	2,496,500	18,074	2,514,574	4,299,500	21,663	4,321,163
---------	---	---------	-----------	-------	-----------	-----------	--------	-----------	-----------	--------	-----------

Accounting income available for distribution

- Relating to capital gains

- Excluding capital gains

-	-	-	-	-	-	-	-	-	-	-	-
59,718		59,718	3,589		3,589	18,074		18,074	21,663		21,663
59,718		59,718	3,589		3,589	18,074		18,074	21,663		21,663

Distribution during the period*

(59,718)

-

-

-

Undistributed income carried forward

-

3,589

18,074

21,663

Undistributed income carried forward

- Realised income

- Unrealised income

-		-	3,589		3,589	18,074		18,074	21,663		21,663
-		-	-		-	-		-	-		-
-		-	3,589		3,589	18,074		18,074	21,663		21,663

(Rupees)

(Rupees)

(Rupees)

Net assets value per unit at the end of the period

50.0000

50.0995

50.3620

The annexed notes from 1 to 21 form an integral part of these financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN FIXED TERM FUND
CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD FROM JUNE 09, 2022 TO SEPTEMBER 30, 2022

	MPMP-I (Upon initial maturity)	MPMP-I	MPMP-II	
Note	For the period from June 09, 2022 to September 09, 2022	September 30, 2022	September 30, 2022	Total
------(Rupees in '000)-----				
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period before taxation	67,097	3,589	18,081	21,670
Increase in assets				
Investments	-	-	(1,875,000)	(1,875,000)
Accrued profit	(870)	(16,148)	(29,389)	(45,537)
	(870)	(16,148)	(1,904,389)	(1,920,537)
Increase in liabilities				
Payable to Al Meezan Investment Management Limited - Management Company	2,438	299	2,295	2,594
Payable to Central Depository Company of Pakistan Limited - Trustee	363	16	81	97
Payable to the Securities and Exchange Commission of Pakistan (SECP)	99	5	26	31
Accrued expenses and other liabilities	7,804	19,224	8,964	28,188
	10,704	19,544	11,366	30,910
Net cash generated from operating activities	76,931	6,985	(1,874,942)	(1,867,957)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts against issuance and conversion of units	1,976,281	2,973,281	2,625,500	5,598,781
Payments against redemption and conversion of units	(25,431)	(1,169,732)	(128,504)	(1,298,236)
Dividend paid	(59,718)	-	-	-
Net cash generated from financing activities	1,891,132	1,803,549	2,496,996	4,300,545
Net increase in cash and cash equivalents	1,968,063	1,810,534	622,054	2,432,588
Cash and cash equivalents at the beginning of the period	-	-	-	-
Cash and cash equivalents at the end of the period	1,968,063	1,810,534	622,054	2,432,588

The annexed notes from 1 to 21 form an integral part of these financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN FIXED TERM FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD FROM JUNE 09, 2022 TO SEPTEMBER 30, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Fixed Term Fund (the "Fund" , the "Scheme") was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on April 05, 2022 under Sindh Trusts Act, 2020 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

1.2 Meezan Fixed Term Fund is an Open Ended Shariah Compliant Collective Investment Scheme as per SECP's Circular No.3 of 2022 dated February 10, 2022 with different allocation plans. The investment objective of the Fund is to earn potentially high returns by investing in Shariah Compliant Fixed Income instruments.

1.3 The first Allocation Plan named Meezan Paidaar Munafa Plan I (MPMP I) under the Scheme was launched on June 09, 2022 with an objective to provide investors with potentially high returns through placement of deposit in Shariah Compliant Banks. It shall have the following salient features:

- (a) Dividend will be distributed to the entitled unit holders on the maturity of the placement.
- (b) The plan is based on forward pricing.
- (c) The duration of MPMP I placement was three months i.e. it was initially matured on September 09, 2022.
- (d) The Plan has been rolled over on September 26, 2022 after close of subscription period (September 12, 2022 till September 23, 2022) and it will be matured on December 26, 2022.

The second Allocation Plan named Meezan Paidaar Munafa Plan II (MPMP II) under the Scheme was launched on September 12, 2022 with an objective to provide investors with a potentially high returns through placement of deposit in Shariah Compliant Banks. It shall have the following salient features:

- (a) Dividend will be distributed to the entitled unit holders on the maturity of the placement.
- (b) The duration of MPMP II was six months i.e. it will be matured on March 10, 2023.
- (c) The plan is based on forward pricing.

1.4 Units are offered for public subscription for limited time period. The units are transferable and can be redeemed by surrendering them to the Fund after deduction of contingent load.

1.5 The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 27, 2021 (2021: AM1 dated December 31, 2020) and by PACRA dated June 23, 2022 (2021: AM1 dated June 23, 2021). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

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

1.7 As per offering document approved by SECP, the accounting period, in case of the first such period, shall commence from the date on which the trust property is first paid or transferred to the Trustee. On the request of AMC, the SECP through letter # SCD/AMCW/MFTF/361/2022 dated June 06, 2022 has granted exemption from publishing financial statements for the period ending June 30, 2022. Accordingly, these financial statements have been prepared for the period from June 09, 2022 to September 30, 2022.

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 Financial Reporting Standards (IFRSs) 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 IFRSs, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declared that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2022.

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

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

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

There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2022 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are therefore not disclosed in these financial statements.

3.4 Critical accounting estimates and judgments

The preparation of financial statements in accordance with accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision & future years if revision affects both current & future years.

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 4.3) and provision for taxation (note 4.14 and 15).

3.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values.

3.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupee, which is the Fund's functional and presentation currency.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 The principal accounting policies applied in the preparation of these condensed interim financial statements are set out below.

4.2 Cash and cash equivalents

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

4.3 Financial assets

4.3.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the condensed interim income statement.

4.3.2 Classification and subsequent measurement

a) Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified:

- at amortised cost
- at fair value through other comprehensive income (FVOCI)
- at fair value through profit or loss (FVPL) based on the business model of the entity

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

b) Impairment

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

c) Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the SECP requirements. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has also been placed on the Management Company's website as required under the SECP's circular.

4.3.3 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

4.3.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

4.4 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

4.5 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.6 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.7 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the condensed interim Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the period end.

4.8 Issue and redemption of units

Units issued are recorded at the par value i.e. Rs. 50 by the Management Company for the applications received by the Management Company / distributors during subscription period.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company receives redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to apply contingent load.

4.10 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the period also includes portion of income already paid on units redeemed during the period. As more fully explained in note 1.3 to the financial statements, the Fund is required to make distribution at the time of maturity or year end.

Distributions declared subsequent to the period end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

4.11 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.12 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Profit on bank deposits, certificate of musharaka and term deposit receipts is recognised on accrual basis.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise.

4.13 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee of the SECP are recognised in the condensed interim Income Statement on an accrual basis.

4.14 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

4.15 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net income / (loss) of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

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

4.16 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

5 BALANCES WITH BANKS

	Note	MPMP-I June 09, 2022 - September 09, 2022 (Upon Initial Maturity)		Total
		September 30, 2022 (Unaudited)	September 30, 2022 (Unaudited)	
		MPMP-I MPMP-II ----- (Rupees in '000) -----		
Balances with banks in:				
Savings accounts	5.1	1,968,063	18,534	640,588

5.1 The balance in savings accounts has expected profit rate of 5.50% to 16.00% per annum.

5.2 CASH AND CASH EQUIVALENTS

	MPMP-I June 09, 2022 - September 09, 2022 (Upon Initial Maturity)		Total
	September 30, 2022 (Unaudited)	September 30, 2022 (Unaudited)	
		MPMP-I MPMP-II ----- (Rupees in '000) -----	
Balances with banks	1,968,063	18,534	640,588
Term Deposit Receipt	-	1,792,000	1,792,000
	1,968,063	1,810,534	2,432,588

6. INVESTMENTS

	Note	September 30, 2022 (Unaudited)		Total
		MPMP-I	MPMP-II	
		----- (Rupees in '000) -----		
At fair value through profit or loss				
Term deposit receipts	6.1	1,792,000	1,875,000	3,667,000

6.1 Term deposit receipts

Name of the bank	Maturity date	Profit rate	Term deposit receipts placed during the period	Matured during the period	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Unrealised appreciation/(diminution) as at September 30, 2022	Percentage in relation to		
								net assets of the fund	total market value of investment	
		%			(Rupees in '000)			%		
Meezan Paaidar Muanafa Plan -I										
Askari Bank Limited	September 09, 2022	14.27%	1,918,500	1,918,500	-	-	-	-	-	-
Askari Bank Limited	December 26, 2022	15.50%	1,792,000	-	1,792,000	1,792,000	-	99.19	100	
Meezan Paaidar Muanafa Plan -II										
Bank of Punjab	March 10, 2023	15.80%	1,875,000	-	1,875,000	1,875,000.00	-	74.57	100	
As at September 30, 2022			5,585,500	1,918,500	3,667,000	3,667,000	-			

6.1.1 The profit and principal of term deposit receipts is receivable at maturity.

7 ACCRUED PROFIT

	MPMP-I June 09, 2022 - September 09, 2022 (Upon Initial Maturity)	September 30, 2022 (Unaudited)	September 30, 2022 (Unaudited)	Total
----- (Rupees in '000) -----				
Profit accrued on:				
Bank balances	#REF!	12,343	13,968	26,311
Term deposit receipts	-	3,805	15,421	19,226
	#REF!	16,148	29,389	45,537

8 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

	Note	MPMP-I June 09, 2022 - September 09, 2022 (Upon Initial Maturity)	September 30, 2022 (Unaudited)	September 30, 2022 (Unaudited)	Total
----- (Rupees in '000) -----					
Remuneration payable	8.1	2078	181	2,023	2,204
Sindh Sales Tax payable on remuneration of the Management Company	8.2	270	23	263	286
Formation cost payable		90	95	9	104
		2,438	299	2,295	2,594

8.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit.

Keeping in view the maximum allowable threshold, during the period, the Management Company has charged remuneration at the following rates:

MPMP-I (June 09, 2022- Septmber 09, 2022)	0.42% per annum of the average annual net assets
MPMP-I	0.73% per annum of the average annual net assets
September 30, 2022 (Unaudited)	1.55% per annum of the average annual net assets

8.2 Sales tax on the management fee has been charged at the rate of 13%.

9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	Note	MPMP-I June 09, 2022 - September 09, 2022 (Upon Initial Maturity)	September 30, 2022 (Unaudited)	September 30, 2022 (Unaudited)	Total
----- (Rupees in '000) -----					
Trustee fee payable	9.1	321	14	72	86
Sindh Sales Tax payable on trustee fee	9.2	42	2	9	11
		363	16	81	97

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

16.3 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.

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

Balances

	As at September 09, 2022	September 30, 2022 (Unaudited)		Total
	MPMP-I	MPMP-I	MPMP-II	
	----- (Rupees in '000) -----			
Al Meezan Investment Management Limited - Management Company				
Management fee payable	2,078	181	2,023	2,204
Sindh Sales Tax payable on the remuneration of the Management Company	270	23	263	286
Formation cost payable	90	95	9	104
Investment (Rs.'000')	-	-	175,763	175,763
Investment (Units)	-	-	3,490,000	3,490,000
Central Depository Company of Pakistan Limited - Trustee				
Remuneration payable to the Trustee	321	14	72	86
Sindh Sales Tax on remuneration of the Trustee	42	2	9	11
Meezan Bank Limited				
Balance with bank	1,295	2,551	14	2,565
Profit receivable on saving account	114	78	5	83
Shariah advisor fee payable	65	4	11	15
Al Meezan Investment Management Limited - Employees' Gratuity Fund				
Investment (Rs.'000')	-	-	11,080	11,080
Investment (Units)	-	-	220,000	220,000
Directors and Executives of the Management Company				
Investment (Rs. In '000')	-	111,722	24,174	135,896
Investment (units)	-	2,230,000	480,000	2,710,000
Dividend Paid	19	-	-	-

	For the period from June 09, 2022 to September 09, 2022	For the period from September 26, 2022 to September 30, 2022	For the period from September 12, 2022 to September 30, 2022	Total
	MPMP-I	MPMP-I	MPMP-II	
	----- (Rupees in '000) -----			
Transactions during the period				
Al Meezan Investment Management Limited - Management Company				
Remuneration of Al Meezan Investment Management Limited - Management Company	2,078	181	2,023	2,204
Sindh Sales Tax on the remuneration of the Management Company	270	23	263	286
Invested during the period (Rs. '000')	-	111,500	300,000	411,500
Invested during the period (Units)	-	2,230	6,000,000	6,002,230
Redeemed during the period (Rs. '000')	-	-	125,500	125,500
Redeemed during the period (Units)	-	-	2,510,000	2,510,000
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of the Trustee	322	14	72	86
Sindh Sales Tax on remuneration of the Trustee	42	2	9	11
Meezan Bank Limited				
Profit on savings account	60	8	2	10
Shariah Advisory Fee	65	6	11	17
Al Meezan Investment Management Limited - Employees' Gratuity Fund				
Invested during the period (Rs. '000')	-	-	11,000	11,000
Invested during the period (Units)	-	-	220,000	220,000
Directors and Executives of the Management Company				
Invested during the period (Rs. '000')	2,500	114,018	24,000	138,018
Invested during the period (Units)	40,000	2,280,332	480,000	2,760,332
Redeemed during the period (Rs. '000')	2,500	2,578	-	2,578
Redeemed during the period (Units)	40,000	50,332	-	50,332

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The risk management policy of the Fund aims to maximise the return attributable to the unit holders and seeks to minimise potential adverse effects on the Fund's financial performance.

Risks of the Fund are being managed by the Fund manager in accordance with the approved policies of the Investment Committee which provides broad guidelines for management of risk pertaining to market risks (including price risk, interest rate risk and currency risk) credit risk and liquidity risk. Further, the overall exposure of the Fund complies with the NBFC Regulations and the directives issued by the SECP.

Risks managed and measured by the Fund are explained below:

17.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: profit rate risk, currency risk and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of September 30, 2022, the Fund is exposed to such risk on its balances held with banks and investments in term deposit receipts. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income / loss for the period from June 09, 2021 to September 30, 2022 and net assets of the Fund would have been higher / lower by Rs. 161.48 million.

b) Sensitivity analysis for fixed rate instruments

The Fund does not hold any financial instruments that are exposed to fixed rate risk, profit rate risk.

The composition of the Fund's investment portfolio and KIBOR rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of September 30, 2022 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Fund does not hold any instruments that are exposed to price risk.

17.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the period.

17.3 Credit risk

17.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due.

Credit risk arising on the debt instruments is mitigated by investing in rated instruments or instruments issued by rated counterparties of credit ratings of at least investment grade by the recognised rating agencies. The Fund receives a monthly rating update, against which investments are reviewed.

Credit risk arises from deposits with banks and financial instruments, profit receivable on balances with banks, receivable against conversion of units and credit exposure arising as a result of receivable against sale of investments. Credit risk arising on other financial assets is monitored through a regular analysis of financial position of brokers and other parties. For debt instrument settlement, Delivery versus Payment (DvP) mechanism applied by the Trustee of the Fund minimises the credit risk. In accordance with the risk management policy of the Fund, the investment committee monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The table below analyses the Fund's maximum exposure to credit risk:

September 30, 2022 (Unaudited)	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk
-----Rupees In '000-----	
Balances with banks	640,588
Investments	3,667,000
Profit accrued	45,537
	<u>4,353,125</u>
	<u>4,353,125</u>

The maximum exposure to credit risk before any credit enhancement as at September 30, 2022 is the carrying amount of the financial assets.

17.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued thereon and receivable against conversion of units and against investments. The credit rating profile of balances with banks is as follows:

Rating	% of financial assets exposed to credit risk September 30, 2022 (Unaudited)
AA+	97.11%
AAA	2.89%
	<u>100.00%</u>

Ratings of corporate sukuks have been disclosed in related notes to the financial statements.

17.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties thereby any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at September 30, 2022 are unsecured and are not impaired.

18 FAIR VALUE MEASUREMENT

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

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

Financial assets which are 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, 2022, the Fund held the following financial instruments measured at fair values

As at September 30, 2022 (Unaudited)			
Level 1	Level 2	Level 3	Total
-----Rupees In '000-----			
Financial assets - at fair value through profit or loss			
Term deposit receipts*	-	3,667,000	-
			3,667,000

* 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.


19 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has restriction on the subscription after the end of subscription period however redemption of units will be executed subject to the applicability of contingent load. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirements of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 18, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

20 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on October 13, 2022 by the Board of Directors of the Management Company.

21 GENERAL

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

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

 Chief Executive

 Chief Financial Officer

 Director