



Evolving Talent Pool

Al Meezan's commitment to hiring quality individual goes beyond immediate needs, aiming to secure individuals who can adapt, innovate, and contribute effectively to our mission. By nurturing continuous learning, we empower our workforce to excel in today's dynamic financial landscape.

Meezan Financial Planning Fund of Funds

Meezan Financial Planning Fund of Funds invests in Shariah Compliant Fixed Income and Equity Mutual Funds in line with the risk tolerance of the investor and in doing so, it strives to generate returns on investment aligned with respective allocation plans.

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
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Non-Executive Nominee Director- MBL
Mr. Naeem Sattar	Non-Executive Nominee Director- PKIC
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Mr. Tariq Mairaj	Non-Executive Nominee Director- MBL

Ms. Shazia Khurram was appointed on July 4, 2023 as director in place of Mr. Moin M. Fudda who resigned from the Board on June 9, 2023 and Mr. Saad Ur Rahman Khan was appointed on August 7, 2023 in place of Mr. Mubashar Maqbool who resigned from the Board on July 21, 2023. The revised composition of the Board Committees is as under.

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. Saad Ur Rahman Khan	Chairman
Ms. Shazia Khurram	Member
Mr. Furquan R. Kidwai	Member

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Saad Ur Rahman Khan	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

Dr. Muhammad Imran Usmani
Jamia Darul Uloom Karachi
Korangi Industrial Area Karachi Postal Code 75180 Pakistan
Tel: +92 21 35044770
Email: miu786@gmail.com

BANKERS TO THE FUND

Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited

LEGAL ADVISER

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

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



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REPORT OF THE FUND MANAGER Meezan Financial Planning Fund of Funds (MFPF)

Type of Fund

Open-end Shariah Compliant (Islamic) Fund of Funds Scheme.

Objective

The fund aims to generate returns on Investments as per respective Allocation Plans by investing in Shariah Compliant Fixed Income and Equity Mutual Funds in line with risk/return preference of the investor.

Strategy and Investment Policy

MFPF has sixteen Allocation Plans which allow investors to invest according to their risk tolerance levels.

The Aggressive Allocation Plan

This Allocation Plan is suitable for Investors having a relatively higher risk tolerance and/or wish to save for long term. It shall invest at least 65% of its net assets in Shariah Compliant Equity Funds, while the remaining portion is allocated to Shariah Compliant Fixed Income Funds.

The Moderate Allocation Plan

This Allocation Plan is suitable for Investors having a relatively moderate risk tolerance and/or wish to save for medium to long term. It shall invest at least 45% of its net assets in Shariah Compliant Equity Funds, while the remaining portion is allocated to Shariah Compliant Fixed Income Funds

The Conservative Allocation Plan

This Allocation Plan is suitable for Investors having a relatively low risk tolerance and/or wish to save for short to medium term. It shall invest at least 20% of its net assets in Shariah Compliant Equity Funds, while the remaining portion is allocated to Shariah Compliant Fixed Income Funds.

Meezan Asset Allocation Plan - I - IV (MAAP I-IV)

These are closed end Plans which are suitable for Investors having a relatively moderate risk tolerance and/or wish to earn a relatively higher return over the medium term. These can switch exposure between Shariah compliant equity and fixed income mutual funds without any minimum or maximum limits, subject to expectations regarding the market performance.

In line with these different allocation plans, the benchmarks are also a combination of KSE Meezan Index 30's performance and average 6 month Islamic bank deposits as per the following detail:

Aggressive Allocation Plan	Weighted avg. return of KMI 30 Index and Fixed Income/ Money Market Scheme as per actual allocation.
Moderate Allocation Plan	
Conservative Allocation Plan	
Meezan Asset Allocation Plan - I	



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Performance Table with Benchmark

Returns - FY23	
MFPF - Aggressive Benchmark	1.13% 3.72%
MFPF - Moderate Benchmark	5.29% 4.64%
MFPF - Conservative Benchmark	9.81% 5.59%
MFPF - MAAP I Benchmark	3.20% 3.74%

Aggressive Allocation Plan

The Aggressive Allocation Plan posted a total income of Rs. 1 million in FY23 as compared to a total loss of Rs. 21 million last year. Total income comprised of realized gain on investments of Rs. 2 million while the unrealized loss on investments of Rs. 0.63 million. Dividend income and profit on saving account with banks amounted nil and Rs. 6 million respectively. After accounting for expenses of Rs. 0.9 million, the Fund posted a net income of Rs. 0.59 million. The net assets of the Fund as at June 30, 2023 were Rs. 64 million as compared to Rs. 290 million at the end of last year depicting a decrease of 78%.

Moderate Allocation Plan

The Moderate Allocation Plan posted a total income of Rs. 4 million in FY23 as compared to a total Income of Rs. 18 million last year. Total income comprised of realized gain on investments of Rs. 5 million while the unrealized loss on investments of Rs. 0.11 million. Dividend income and profit on saving account with banks amounted nil and Rs. 4 million. After accounting for expenses of Rs. 0.4 million, the Fund posted a net Income of Rs. 4 million. The net assets of the Fund as at June 30, 2023 were Rs. 62 million as compared to Rs. 100 million at the end of last year depicting a decrease of 38%.

Conservative Allocation Plan

The Conservative Allocation Plan posted a total Income of Rs. 8 million in FY23 as compared to a total Income of Rs. 9 million last year. Total income comprised of realized gain on investments of Rs. 9 million while the realized gain on investments of Rs. 3 million. Dividend income and profit on saving account with banks amounted nil and Rs. 8 million respectively. After accounting for expenses of Rs. 0.4 million, the Fund posted a net Income of Rs. 8 million. The net assets of the Fund as at June 30, 2023 were Rs. 59 million as compared to Rs. 141 million at the end of last year depicting a decrease of 58%.

Meezan Asset Allocation Plan - I (MAAP-I)

Meezan Asset Allocation Plan-I posted a total income of Rs. 3 million during FY23 as compared to a total loss of Rs. 1 million last year. Total income comprised of realized gain on investments of Rs. 0.14 million while the realized loss on investments of Rs. 1 million. Dividend income and profit on saving account with banks amounted to Rs. 3 million and Rs. 2 million respectively. After accounting for expenses of Rs. 0.4 million, the Fund posted a net income of Rs. 3 million. The net assets of the Fund as at June 30, 2023 were Rs. 71 million as compared to Rs. 84 million at the end of last year depicting a decrease of 15%.

Distributions

The Interim Pay out by the Fund during the fiscal year ended June 30, 2023 was Rs. 2.20 per unit (4.40%) in Meezan Asset Allocation Plan I. Total distribution made by the fund was Rs. 2.5 million in Meezan Asset Allocation Plan I.



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SWWF Disclosure

Not Applicable

Breakdown of unit holdings by size

(As on June 30, 2023)

Breakdown of unit holdings by size				
Range (Units)	Aggressive	Moderate	Conservative	MAAP-I
1 - 9,999	589	392	411	37
10,000 - 49,999	22	25	14	9
50,000 - 99,999	-	-	1	2
100,000 - 499,999	-	-	1	2
500,000 and above	-	-	-	2
Total	611	417	427	52

PERFORMANCE TABLE**MEEZAN FINANCIAL PLANNING FUND OF FUNDS**

	As at June 30, 2023			
	Aggressive	Moderate	Conservative	MAAP-I
	----- (Rupees in '000) -----			
Net assets (Rs. '000)	64067	62,197	59,135	71,100
Net assets value / redemption price per unit as at June 30 (Rs.)	75.108	75.1618	75.2744	61.2238
Offer price per unit as at June 30 (Rs.)	76.8054	76.4357	76.125	-
Highest offer price per unit (Rs.)	79.8345	76.9478	76.1584	-
Lowest offer price per unit (Rs.)	71.8594	71.4383	69.0776	-
Highest redemption price per unit (Rs.)	78.0702	75.6653	75.3075	65.1087
Lowest redemption price per unit (Rs.)	70.2713	70.2477	68.3058	58.0119
Distribution (%)	-	-	-	4.40
Dates of distribution (Interim)	-	-	-	June 30, 2022
Average return (%)	0.0113	0.0529	0.0981	0.032

	As at June 30, 2022			
	Aggressive	Moderate	Conservative	MAAP-I
	----- (Rupees in '000) -----			
Net assets (Rs. '000)	290,366	100,059	140,839	83,519
Net assets value / redemption price per unit as at June 30 (Rs.)	74.2699	71.3832	68.5516	61.4585
Offer price per unit as at June 30 (Rs.)	75.9484	72.5931	69.3263	0
Highest offer price per unit (Rs.)	84.8404	76.5763	72.9469	0
Lowest offer price per unit (Rs.)	74.5431	71.8251	69.3211	0
Highest redemption price per unit (Rs.)	82.9654	75.3000	72.1319	69.7230
Lowest redemption price per unit (Rs.)	72.8957	70.6280	68.5466	60.0864
Distribution (%)	-	0.40	2.67	-
Dates of distribution (Interim)	-	June 30, 2022	June 30, 2022	-
Average return (%)	-0.0535	0.0044	0.0408	-0.0336

	As at June 30, 2021			
	Aggressive	Moderate	Conservative	MAAP-I
	----- (Rupees in '000) -----			
Net assets (Rs. '000)	347,903	145,984	224,352	156,245
Net assets value / redemption price per unit as at June 30 (Rs.)	78.4701	71.4694	68.4368	63.5964
Offer price per unit as at June 30 (Rs.)	80.2435	72.6808	69.2102	0
Highest offer price per unit (Rs.)	82.1541	73.7594	69.6694	0
Lowest offer price per unit (Rs.)	63.0773	60.1512	61.2858	0
Highest redemption price per unit (Rs.)	80.3385	72.5301	68.891	65.3557
Lowest redemption price per unit (Rs.)	61.6833	59.1487	60.6011	50.3438
Distribution (%)	-	-	-	-
Dates of distribution (Interim)	-	-	-	-
Average return (%)	0.2721	0.2083	0.1293	0.2725

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

Dr. Muhammad Imran Usmani

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Report of the Shariah Advisor –Meezan Financial Planning Fund of Funds (MFPPF)

July 29, 2023/ Dhu Al-Hijjah 29, 1443

Alhamdulillah, the period from July 1, 2022 to June 30, 2023 was the Tenth year of operations of Meezan Financial Planning Fund of Funds (the “MFPPF” or the “Fund”) under management of Al Meezan Investment Management Limited (the “Al Meezan” or the “Management Company”). I, Dr. Muhammad Imran Ashraf Usmani, am the Shariah Advisor of the Fund and issuing the Shariah Advisor Report (the “Report”) in accordance with the Trust Deed of the Fund. The scope of the Report is to express an opinion on the Shariah compliance of the Fund’s activity.

It is the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the Management Company’s personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

We have reviewed and approved the modes of investments of the Fund in light of Shariah requirements. On the basis of information provided by the Management Company, all operations of the Fund for the year ended June 30, 2023 have been in compliance with the Shariah principles.

In light of the above, we hereby certify that all the provisions of the scheme and investments made on account of the Fund under management of Al Meezan are Shariah-compliant and in accordance with the criteria established by us.

We further confirm that earnings realized through prohibited sources were transferred to the charity account (where applicable).

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

And Allah knows the best.



Dr. Muhammad Imran Ashraf Usmani
Shariah Advisor

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

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TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN FINANCIAL PLANNING FUND OF FUNDS

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Meezan Financial Planning Fund of Funds (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2023 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 25, 2023

INDEPENDENT AUDITORS' REPORT

To the Unit holders of Meezan Financial Planning Fund of Funds

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Meezan Financial Planning Fund of Funds** (the Fund), which comprise the statement of assets and liabilities as at **30 June 2023**, and the income statement, comprehensive income, cash flows statement and movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Fund as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key audit matter	How our audit addressed the key audit matter
1. Existence and valuation of bank balances and investments	
As disclosed in note 5 and 6 to the accompanying financial statements of the Fund for the year ended 30 June 2023, the bank balances and investments (comprised of units of open ended mutual funds) held by the Fund represent 99.9% of the total assets of the Fund as at the year end.	<p>We performed a combination of audit procedures focusing on the existence and valuation of bank balances and investments. Our key procedures included the following:</p> <ul style="list-style-type: none"> - We obtained independent confirmations for verifying the existence of the bank balances as at 30 June 2023 and reconciled it with the books and records of the Fund. - We tested controls over acquisition, disposals and periodic valuation of investments portfolio.

Key audit matter	How our audit addressed the key audit matter
<p>In view of the significance of bank balances and investment in relation to the total assets and the Net Assets Value (NAV) of the Fund, we have considered the existence and valuation of such bank balances and investments as a key audit matter.</p>	<ul style="list-style-type: none"> - We performed substantive audit procedures on year-end balance of portfolio including review of custodian's statement and related reconciliations and valuations on such investments in accordance with the accounting policy of the Fund as mentioned in note 4. - We evaluated the appropriateness of the classification of the investments in accordance with the requirements of IFRS 9 and the valuations in accordance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). - We assessed the Fund's compliance with the requirements of the Regulations in relation to the concentration of investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard. - We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

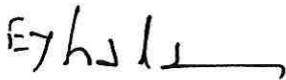
Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

Other Matter

The annual financial statements for the year ended 30 June 2022 were audited by another firm of Chartered Accountants, whose audit report dated 21 September 2022, expressed an unmodified opinion, on the aforementioned financial statements.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.



Chartered Accountants

Date: 26 September 2023

Place: Karachi

UDIN Number: AR202310076o5WvVSjFG



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2023**

		As at June 30, 2023				
		Aggressive	Moderate	Conservative	MAAP-I	Total
		(Rupees in '000)				
Assets						
	5	759	1,088	755	292	2,894
	6	63,892	61,768	59,132	74,578	259,370
		130	-	-	-	130
		10	20	9	3	42
		64,791	62,876	59,896	74,873	262,436
Liabilities						
	7	24	10	27	6	67
	8	9	4	11	4	28
		1	-	2	-	3
	9	38	15	18	15	86
		-	-	-	-	-
		-	-	-	29	29
	10	652	650	703	3,719	5,724
		724	679	761	3,773	5,937
		64,067	62,197	59,135	71,100	256,499
		64,067	62,197	59,135	71,100	256,499
	11	----- (Number of units) -----				
		852,995	827,511	785,598	1,161,315	
		----- (Rupees) -----				
		75.1080	75.1618	75.2744	61.2238	

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2023**

		As at June 30, 2022				
Note	Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)						
Assets						
Balances with banks	5	1,703	4,639	834	584	7,760
Investments	6	291,075	96,280	142,740	86,359	616,454
Receivable against conversion of units		-	-	1	-	1
Profit receivable on saving accounts with banks		7	7	11	4	29
Total assets		292,785	100,926	143,586	86,947	624,244
Liabilities						
Payable to AI Meezan Investment Management Limited - Management Company	7	24	61	31	7	123
Payable to Central Depository Company of Pakistan Limited - Trustee	8	23	5	17	6	51
Payable to Meezan Bank Limited		1	-	-	-	1
Payable to the Securities and Exchange Commission of Pakistan (SECP)	9	66	27	42	25	160
Payable on redemption and conversion of units		1,640	35	1,260	-	2,935
Payable against purchase of investments		-	-	-	7	7
Dividend payable		-	22	149	-	171
Accrued expenses and other liabilities	10	665	717	1,248	3,383	6,013
Total liabilities		2,419	867	2,747	3,428	9,461
Net assets		290,366	100,059	140,839	83,519	614,783
Unit holders' fund (as per statement attached)		290,366	100,059	140,839	83,519	614,783
Contingencies and commitments						
	11	(Number of units)				
Number of units in issue		3,909,604	1,401,721	2,054,496	1,358,950	
(Rupees)						
Net asset value per unit		74.2699	71.3832	68.5516	61.4585	

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

Note	For the year ended June 30, 2023					
	Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)						
Income						
Dividend income	-	-	-	2,906	2,906	
Profit on saving accounts with banks	126	131	117	53	427	
Net realised gain on sale of investments	2,493	4,995	9,014	142	16,644	
	2,619	5,126	9,131	3,101	19,977	
Net unrealised diminution on re-measurement of 'investments classified as financial assets at fair value through profit or loss'	6.1	(1,176)	(667)	(321)	(108)	(2,272)
Total income	1,443	4,459	8,810	2,993	17,705	
Expenses						
Remuneration to AI Meezan Investment Management Limited - Management Company	7.1	17	12	10	6	45
Sindh Sales Tax on remuneration of the Management Company	7.2	2	2	1	1	6
Allocated expenses	7.3	216	84	98	82	480
Remuneration to Central Depository Company of Pakistan Limited - Trustee	8.1	131	53	62	52	298
Sindh Sales Tax on remuneration of the Trustee	8.2	17	7	8	7	39
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	9	38	15	18	15	86
Auditors' remuneration	12	287	119	142	124	672
Fees and subscription		121	55	63	56	295
Bank and settlement charges		28	26	27	25	106
Total expenses		857	373	429	368	2,027
Net income for the year before taxation		586	4,086	8,381	2,625	15,678
Taxation	14	-	-	-	-	-
Net income for the year after taxation		586	4,086	8,381	2,625	15,678
Allocation of net income for the year						
Net income for the year after taxation		586	4,086	8,381	2,625	15,678
Income already paid on units redeemed		-	-	(4,162)	(8)	(4,170)
		586	4,086	4,219	2,617	11,508
Accounting income available for distribution						
- Relating to capital gains		586	4,086	4,219	34	8,925
- Excluding capital gains		-	-	-	2,583	2,583
		586	4,086	4,219	2,617	11,508

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

Note	For the year ended June 30, 2022					
	Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)						
Income						
Dividend income	5,987	3,520	7,607	1,731	18,845	
Profit on saving accounts with banks	87	96	114	22	319	
Net realised (loss) / gain on sale of investments	(627)	(106)	2,610	(864)	1,013	
Other income	1	64	50	155	270	
	<u>5,448</u>	<u>3,574</u>	<u>10,381</u>	<u>1,044</u>	<u>20,447</u>	
Net unrealised (diminution) / appreciation on re-measurement of 'investments classified as financial assets at fair value through profit or loss'	6.1	(26,170)	(5,421)	(3,321)	(10,652)	(45,564)
Total income	<u>(20,722)</u>	<u>(1,847)</u>	<u>7,060</u>	<u>(9,608)</u>	<u>(25,117)</u>	
Expenses						
Remuneration to AI Meezan Investment Management Limited - Management Company	7.1	31	26	37	9	103
Sindh Sales Tax on remuneration of the Management Company	7.2	4	3	5	1	13
Allocated expenses	7.3	364	150	233	137	884
Remuneration to Central Depository Company of Pakistan Limited - Trustee	8.1	232	95	148	87	562
Sindh Sales Tax on remuneration of the Trustee	8.2	30	12	19	11	72
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	9	66	27	42	25	160
Auditors' remuneration	12	236	100	150	96	582
Fees and subscription		123	50	78	46	297
Bank and settlement charges		7	6	3	5	21
Legal and professional charges		72	41	39	33	185
Reversal of provision for Sindh Workers' Welfare Fund		(5,233)	(2,673)	(1,963)	(8,530)	(18,399)
Total expenses		<u>(4,068)</u>	<u>(2,163)</u>	<u>(1,209)</u>	<u>(8,080)</u>	<u>(15,520)</u>
Net (loss) / income for the year before taxation		<u>(16,654)</u>	<u>316</u>	<u>8,269</u>	<u>(1,528)</u>	<u>(9,597)</u>
Taxation	14	-	-	-	-	-
Net (loss) / income for the year after taxation		<u>(16,654)</u>	<u>316</u>	<u>8,269</u>	<u>(1,528)</u>	<u>(9,597)</u>
Allocation of net income for the year						
Net income for the year after taxation		-	316	8,269	-	-
Income already paid on units redeemed		-	-	(3,401)	-	-
		<u>-</u>	<u>316</u>	<u>4,868</u>	<u>-</u>	<u>-</u>
Accounting income available for distribution						
- Relating to capital gains		-	-	-	-	-
- Excluding capital gains		-	316	4,868	-	5,184
		<u>-</u>	<u>316</u>	<u>4,868</u>	<u>-</u>	<u>-</u>

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023**

	For the year ended June 30, 2023				
	Aggressive	Moderate	Conservative	MAAP-I	Total
	(Rupees in '000)				
Net income for the year after taxation	586	4,086	8,381	2,625	15,678
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	<u>586</u>	<u>4,086</u>	<u>8,381</u>	<u>2,625</u>	<u>15,678</u>

	For the year ended June 30, 2022				
	Aggressive	Moderate	Conservative	MAAP-I	Total
	(Rupees in '000)				
Net (loss) / income for the year after taxation	(16,654)	316	8,269	(1,528)	(9,597)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive (loss) / income for the year	<u>(16,654)</u>	<u>316</u>	<u>8,269</u>	<u>(1,528)</u>	<u>(9,597)</u>

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director

MEEZAN FINANCIAL PLANNING FUND OF FUNDS
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	June 30, 2023			June 30, 2023			June 30, 2023			June 30, 2023			June 30, 2023		
	Aggressive			Moderate			Conservative			MAAP-I			Total		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year	209,030	81,336	290,366	35,748	64,311	100,059	67,877	72,962	140,839	(8,899)	92,418	83,519	303,756	311,027	614,783
Issuance of units:															
Aggressive: 2,148,521 units / Moderate: 101,684 units /															
Conservative: 437,743 units / MAAP I: 35,602 units															
- Capital value (at net asset value per unit at the beginning of the year)	159,571	-	159,571	7,259	-	7,259	30,009	-	30,009	2,179	-	2,179	199,018	-	199,018
- Element of income	(613)	-	(613)	218	-	218	1,359	-	1,359	-	-	-	964	-	964
Total proceeds on issuance of units	158,958	-	158,958	7,477	-	7,477	31,368	-	31,368	2,179	-	2,179	199,982	-	199,982
Redemption of units:															
Aggressive: 5,205,130 units / Moderate: 675,894 units															
Conservative: 1,706,641 units / MAAP I: 233,237 units															
- Capital value (at net asset value per unit at the beginning of the year)	386,585	-	386,585	48,248	-	48,248	116,993	-	116,993	14,334	-	14,334	566,160	-	566,160
- Element of income	(742)	-	(742)	1,177	-	1,177	297	4,162	4,459	405	8	413	1,137	4,170	5,307
Total payments on redemption of units	385,843	-	385,843	49,425	-	49,425	117,290	4,162	121,452	14,739	8	14,747	567,297	4,170	571,467
Total comprehensive income for the year	-	586	586	-	4,086	4,086	-	8,381	8,381	-	2,625	2,625	-	15,678	15,678
Interim distribution for the year ended June 30, 2023	-	-	-	-	-	-	-	-	-	-	(2,476)	(2,476)	-	(2,476)	(2,476)
Net income for the year less distribution	-	586	586	-	4,086	4,086	-	8,381	8,381	-	149	149	-	13,202	13,202
Net assets at the end of the year	(17,855)	81,922	64,067	(6,200)	68,397	62,197	(18,045)	77,181	59,135	(21,459)	92,559	71,100	(63,559)	320,059	256,499
Undistributed income brought forward															
- Realised income		107,506			69,732			76,283			103,070			356,591	
- Unrealised loss		(26,170)			(5,421)			(3,321)			(10,652)			(45,564)	
		81,336			64,311			72,962			92,418			311,027	
Accounting income available for distribution															
- Relating to capital gains		586			4,086			4,219			34			8,925	
- Excluding capital gains		-			-			-			2,583			2,583	
		586			4,086			4,219			2,617			11,508	
Net loss for the year after taxation		-			-			-			-			-	
Distribution during the year ended June 30, 2023		-			-			-			(2,476)			(2,476)	
Undistributed income carried forward		81,922			68,397			77,181			92,559			320,059	
Undistributed income carried forward															
- Realised income		83,098			69,064			77,502			92,667			322,331	
- Unrealised loss		(1,176)			(667)			(321)			(108)			(2,272)	
		81,922			68,397			77,181			92,559			320,059	
	Rupees			Rupees			Rupees		Rupees				Rupees		
Net asset value per unit as at the beginning of the year		74.2699			71.3832			68.5516			61.4585			61.2238	
Net asset value per unit as at the end of the year		75.1080			75.1618			75.2744			61.2238			61.2238	

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN FINANCIAL PLANNING FUND OF FUNDS
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	June 30, 2022			June 30, 2022			June 30, 2022			June 30, 2022			June 30, 2022		
	Aggressive			Moderate			Conservative			MAAP-I			Total		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
(Rupees in '000)															
Net assets at the beginning of the year	249,913	97,990	347,903	81,431	64,553	145,984	151,433	72,919	224,352	62,299	93,946	156,245	545,076	329,408	874,484
Issuance of units:															
Aggressive: 769,503 units / Moderate: 1,088,928 units /															
Conservative: 1,401,714 units / MAAP I: nil															
- Capital value (at net asset value per unit at the beginning of the year)	60,383	-	60,383	77,825	-	77,825	95,929	-	95,929	-	-	-	234,137	-	234,137
- Element of income	445	-	445	1,528	-	1,528	2,672	-	2,672	-	-	-	4,645	-	4,645
Total proceeds on issuance of units	60,828	-	60,828	79,353	-	79,353	98,601	-	98,601	-	-	-	238,782	-	238,782
Redemption of units:															
Aggressive: 1,293,475 units / Moderate: 1,729,817 units															
Conservative: 2,625,450 units / MAAP I: 1,097,868 units															
- Capital value (at net asset value per unit at the beginning of the year)	101,499	-	101,499	123,629	-	123,629	179,677	-	179,677	69,820	-	69,820	474,625	-	474,625
- Element of income	212	-	212	1,407	-	1,407	1,992	3,401	5,393	1,378	-	1,378	4,989	3,401	8,390
Total payments on redemption of units	101,711	-	101,711	125,036	-	125,036	181,669	3,401	185,070	71,198	-	71,198	479,614	3,401	483,015
Total comprehensive (loss) / income for the year	-	(16,654)	(16,654)	-	316	316	-	8,269	8,269	-	(1,528)	(1,528)	-	(9,597)	(9,597)
Interim distribution for the year ended June 30, 2022	-	-	-	-	(558)	(558)	(488)	(4,825)	(5,313)	-	-	-	(488)	(5,383)	(5,871)
Net (loss) / income for the year less distribution	-	(16,654)	(16,654)	-	(242)	(242)	(488)	3,444	2,956	-	(1,528)	(1,528)	(488)	(14,980)	(15,468)
Net assets at the end of the year	209,030	81,336	290,366	35,748	64,311	100,059	67,877	72,962	140,839	(8,899)	92,418	83,519	303,756	311,027	614,783
Undistributed income brought forward															
- Realised income	102,556			65,862			73,890			79,635			321,943		
- Unrealised (loss) / income	(4,566)			(1,309)			(971)			14,311			7,465		
	97,990			64,553			72,919			93,946			329,408		
Accounting income available for distribution															
- Relating to capital gains	-			-			-			-			-		
- Excluding capital gains	-			316			4,868			-			5,184		
	-			316			4,868			-			5,184		
Net loss for the year after taxation	(16,654)			-			-			(1,528)			(18,182)		
Distribution during the year ended June 30, 2022	-			(558)			(4,825)			-			(5,383)		
Undistributed income carried forward	81,336			64,311			72,962			92,418			311,027		
Undistributed income carried forward															
- Realised income	107,506			69,732			76,283			103,070			356,591		
- Unrealised (loss) / income	(26,170)			(5,421)			(3,321)			(10,652)			(45,564)		
	81,336			64,311			72,962			92,418			311,027		
	Rupees			Rupees			Rupees			Rupees			Rupees		
Net asset value per unit as at the beginning of the year	78.4701			71.4694			68.4368			63.5964			61.4585		
Net asset value per unit as at the end of the year	74.2699			71.3832			68.5516			61.4585					

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023

Note	For the year ended June 30, 2023					
	Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)						
CASH FLOWS FROM OPERATING ACTIVITIES						
	586	4,086	8,381	2,625	15,678	
Adjustments for						
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss'	6.1	1,176	667	321	108	2,272
	1,762	4,753	8,702	2,733	17,950	
Decrease / (increase) in assets						
Investments - net	226,007	33,845	83,287	11,673	354,812	
Profit receivable on saving accounts with banks	(3)	(13)	2	1	(13)	
	226,004	33,832	83,289	11,674	354,799	
(Decrease) / increase in liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	-	(51)	(4)	(1)	(56)	
Payable to Central Depository Company of Pakistan Limited - Trustee	(14)	(1)	(6)	(2)	(23)	
Payable to Meezan Bank Limited	-	-	2	-	2	
Payable to the Securities and Exchange Commission of Pakistan (SECP)	(28)	(12)	(24)	(10)	(74)	
Payable against purchase of investments				22	22	
Accrued expenses and other liabilities	(13)	(67)	(545)	336	(289)	
	(55)	(131)	(577)	345	(418)	
Net cash generated from operating activities	227,711	38,454	91,414	14,752	372,331	
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts against issuance and conversion of units	158,828	7,477	31,369	2,179	199,853	
Payments against redemption and conversion of units	(387,483)	(49,460)	(122,712)	(14,747)	(574,402)	
Dividend paid	-	(22)	(150)	(2,476)	(2,648)	
Net cash used in financing activities	(228,655)	(42,005)	(91,493)	(15,044)	(377,197)	
Net increase / (decrease) in cash and cash equivalents during the year	(944)	(3,551)	(79)	(292)	(4,866)	
Cash and cash equivalents at the beginning of the year	1,703	4,639	834	584	7,760	
Cash and cash equivalents at the end of the year	5	1,088	755	292	2,894	

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



MEEZAN FINANCIAL PLANNING FUND OF FUNDS
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023

Note	For the year ended June 30, 2022					
	Aggressive	Moderate	Conservative	MAAP-I	Total	
(Rupees in '000)						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net (loss) / income for the year before taxation	(16,654)	316	8,269	(1,528)	(9,597)	
Adjustments for						
Net unrealised diminution / (appreciation) on re-measurement of investments 'at fair value through profit or loss'	6.1	26,170	5,421	3,321	10,652	45,564
		9,516	5,737	11,590	9,124	35,967
Decrease / (increase) in assets						
Investments - net	30,540	48,336	80,583	71,363	230,822	
Profit receivable on saving accounts with banks	(3)	10	21	-	28	
	30,537	48,346	80,604	71,363	230,850	
(Decrease) / increase in liabilities						
Payable to AI Meezan Investment Management Limited - Management Company	(30)	5	(12)	(9)	(46)	
Payable to Central Depository Company of Pakistan Limited - Trustee	(3)	(3)	(6)	(5)	(17)	
Payable to Meezan Bank Limited	(15)	(11)	(5)	-	(31)	
Payable to the Securities and Exchange Commission of Pakistan (SECP)	2	-	9	(27)	(16)	
Accrued expenses and other liabilities	(5,417)	(3,114)	(1,441)	(9,174)	(19,146)	
	(5,463)	(3,123)	(1,455)	(9,215)	(19,256)	
Net cash generated from operating activities	34,590	50,960	90,739	71,272	247,561	
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts against issuance and conversion of units	60,847	79,469	98,353	-	238,669	
Payments against redemption and conversion of units	(100,449)	(125,519)	(184,740)	(71,191)	(481,899)	
Dividend paid	-	(536)	(4,676)	-	(5,212)	
Net cash used in financing activities	(39,602)	(46,586)	(91,063)	(71,191)	(248,442)	
Net increase / (decrease) in cash and cash equivalents during the year	(5,012)	4,374	(324)	81	(881)	
Cash and cash equivalents at the beginning of the year	6,715	265	1,158	503	8,641	
Cash and cash equivalents at the end of the year	5	1,703	4,639	834	584	7,760

The annexed notes from 1 to 24 form an integral part of these financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN FINANCIAL PLANNING FUND OF FUNDS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Financial Planning Fund of Funds (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on July 27, 2012 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Trust Deed was previously registered under the "Trust Act, 1882" and now has been registered under "The Sindh Trusts Act, 2020". The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, the above-mentioned Trust Deed has been registered under the Sindh Trust Act. The Fund is registered as a Notified entity under the NBFC Regulations issued through S.R.O.1203(I)/2008 on November 21, 2008. The 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 30, 2022 (2021: 'AM1' dated December 27, 2021) and by PACRA dated June 23, 2023 (2022: 'AM1' dated June 23, 2022). 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 January 03, 2023 (2021: A+(f) dated December 27, 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.
- 1.7** The Fund is an open-end Shariah compliant Fund of Funds Scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and Meezan Asset Allocation Plan - I by investing in Shariah compliant income, money market and equity mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans. The management may also invest in other Collective Investments Schemes available to it with prior approval of the SECP. A brief description of the plans are as follows:

Aggressive Allocation Plan (Aggressive)	High risk - Long term investor This plan invests at least 65 percent of its net assets in Shariah Compliant Equity Funds and at least 25 percent in Shariah Compliant Fixed Income Funds.
Moderate Allocation Plan (Moderate)	Moderate risk - Medium and long term investor This plan invests at least 45 percent of its net assets in Shariah Compliant Equity Funds and at least 45 percent in Shariah Compliant Fixed Income Funds.
Conservative Allocation Plan (Conservative)	Moderate risk - Medium and short term investor This plan invests at least 20 percent of its net assets in Shariah Compliant Equity Funds and the remaining portion in Shariah Compliant Fixed Income Funds.
Meezan Asset Allocation Plan I (MAAP-I)	High risk - High return through asset allocation The allocation plan can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two years from the close of the subscription period (i.e. October 20, 2015). Units shall be subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan. During the year ended June 30, 2018, Meezan Asset Allocation Plan-I (MAAP-I) was reopened for investment, after completion of two years. The plan had a revised maturity date of two years from the close of the re-subscription period (i.e. November 24, 2017). During the current year, the SECP approved the extension of the plan by one year vide its letter No. SCD / AMCW / MFPEF / 137 / 2019 dated November 13, 2019. Further, after the expiry of first extension, during the current year, the SECP again approved the extension of the plan further by one year vide its letter dated November 24, 2020. Now the Management Company has decided to extend the duration of the Plan for indefinite period upon completion of initial maturity period i.e. November 24, 2022 vide its letter No. SCD / AMCW / MFPEF / 118 / 2022 dated November 01, 2022.

Each allocation plan announces separate Net Asset Value which ranks Pari Passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.

2 BASIS OF PRESENTATION

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

3 BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in conformity 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 requirements of IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

3.2 Initial application of standards, amendments and improvements to the approved accounting and reporting standards

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

Amendments and improvements to the approved accounting and reporting standards that became effective during the year

The Company has adopted the following amendments and improvements to the approved accounting and reporting standards which became effective for the current year:

Amendments to approved accounting standards

- IFRS 3 Reference to the Conceptual Framework (Amendments)
- IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (Amendments)
- IAS 37 Onerous Contracts – Costs of Fulfilling a Contract (Amendments)

Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)

- IFRS 9 Fees in the '10 percent' test for the derecognition of financial liabilities
- IFRS 16 Leases: Lease incentives
- IAS 41 Agriculture - Taxation in fair value measurement

The adoption of the above amendments and improvements to the approved accounting and reporting standards did not have any material effect on these financial statements.

Standards and amendments to the approved accounting standards that are not yet effective

The following standards, amendments of IFRSs and improvements to accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards, amendments or improvements:

Amendments		Effective date (annual periods beginning on or after)
IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
IAS 8	Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12	January 01, 2023
IAS 1	Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants - Amendments to IAS 1	January 01, 2024
IFRS 16	Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalised
Amendments		IASB Effective date (annual periods beginning on or after)
IFRS 1	First time adoption of IFRS	January 01, 2004
IFRS 17	Insurance Contracts	January 01, 2023

3.3 Critical accounting estimates and judgments

The preparation of financial statements in accordance with the 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 and future years if the revision affects both current and 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 6).

3.4 Accounting convention

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

3.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These 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 significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

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 Income Statement.

4.3.2 Classification

4.3.2.1 Debt instruments

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

- amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

The investments of the Fund includes investments in units of mutual funds which are categorised as Puttable Instruments and are mandatorily required to be classified as financial assets at fair value through profit or loss.

4.3.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

Financial assets at fair value through profit or loss'

Basis of valuation in the collective investment scheme

The investments of the Fund in the collective investment scheme are valued on the basis of daily net assets value (NAV) announced by the Management Company.

The fair value of financial instruments i.e. investment in mutual funds is based on their net asset value at the reporting date without any deduction for estimated future selling costs.

Net gains and losses arising from changes in the fair value of financial assets carried 'at fair value through profit or loss' are taken to the Income Statement.

4.3.4 Impairment

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets 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.

4.3.5 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.

4.3.6 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 arising 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 Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.8 Unit holders' Fund

Unit holders' Fund of each allocation plan representing the units issued by each respective sub fund separately, is carried at the redemption amount representing the investors' right to a residual interest in the respective sub fund's net

4.9 Issuance and redemption of units

Units issued are recorded at the offer price of each allocation plan, determined by the Management Company for the applications received by the distributors during business hours of the day when the applications are received. The offer price of each allocation plan represents the net assets value (NAV) of the units as of the close of that business day plus the allowable sales load, provision of duties and charges and provision for transaction costs, if applicable. The sales load is payable to the distributor and the Management Company.

Units redeemed are recorded at the redemption price of each allocation plan prevalent on the date on which the distributors receive redemption application during business hours on that date. The redemption price represents the net assets value (NAV) per unit as of close of business day less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

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 year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year 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 redee

Element of income represents the difference between net assets value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the net assets value (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 net asset value (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

- (i) Gains / (losses) arising on sale of investments are included in the Income Statement on the date when the transaction takes place;
- (ii) Dividend income is recognized when the Fund's right to receive the same is established. i.e. on the date of book closure of the investee Fund declaring the dividend;
- (iii) Profit on balances with banks is recognised on a time proportion basis using the effective yield method; and
- (iv) Unrealised gains / (losses) arising on revaluation of securities classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise.

4.13 Expenses

All expenses including remuneration of the Management Company and Trustee and annual fee of the SECP are recognised in the 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. Moreover, super tax introduced in the Finance Act, 2022 is also not applicable on Funds (Section 4C of 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 period end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

		As at June 30, 2023					
Note		Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----							
5	BALANCES WITH BANKS						
	Saving accounts	5.1	759	1,088	755	292	2,894

		As at June 30, 2022					
Note		Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----							
	Saving accounts	5.1	1,703	4,639	834	584	7,760
			1,703	4,639	834	584	7,760

5.1 These include balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 10.00% (2022: 6.01%) per annum. Other profit and loss sharing accounts of the Fund have expected profit rates ranging from 7.14% to 20.25% per annum (2022: 4.00% to 15.25% per annum).

6 INVESTMENTS

		As at June 30, 2023					
Note		Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----							
	Investments - 'at fair value through profit or loss'	6.1	63,892	61,768	59,132	74,578	259,370

		As at June 30, 2022					
Note		Aggressive	Moderate	Conservative	MAAP-I	Total	
----- (Rupees in '000) -----							
	Investments - 'at fair value through profit or loss'	6.1	291,075	96,280	142,740	86,359	616,454

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

Name of investee Funds (related parties)	As at July 1, 2022	Purchases during the year	Sales during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Unrealised appreciation/(diminution) as at June 30, 2023	Percentage in relation to	
								Market value on the basis of Net Assets of the Fund	Total market value of investments
				(Number of units)	(Rupees in '000)			(Percentage)	
Aggressive Allocation Plan									
Meezan Islamic Fund	3,876,671	109,004	3,112,315	873,360	49,050	47,874	(1,176)	74.73	74.93
Meezan Islamic Income Fund	1,418,226	-	1,418,226	-	-	-	-	-	-
Meezan Sovereign Fund	-	312,778	312,778	-	-	-	-	-	-
Meezan Rozana Amdani Fund	-	320,358	-	320,358	16,018	16,018	-	25.00	25.07
Total as at June 30, 2023					65,068	63,892	(1,176)	99.73	100.00
Total as at June 30, 2022					317,245	291,075	(26,170)		
Moderate Allocation Plan									
Meezan Islamic Fund	853,646	118,091	409,381	562,357	31,493	30,826	(667)	49.56	49.91
Meezan Islamic Income Fund	936,853	64,772	1,001,625	-	-	-	-	-	-
Meezan Sovereign Fund	-	598,357	598,356	-	-	-	-	-	-
Meezan Rozana Amdani Fund	-	618,835	-	618,835	30,942	30,942	-	49.75	50.09
Total as at June 30, 2023					62,435	61,768	(667)	99.31	100.00
Total as at June 30, 2022					101,701	96,280	(5,421)		
Conservative Allocation Plan									
Meezan Islamic Fund	631,840	45,192	408,103	268,929	15,063	14,742	(321)	24.93	24.93
Meezan Islamic Income Fund	2,080,458	-	2,080,458	-	-	-	-	-	-
Meezan Sovereign Fund	-	862,999	862,999	-	-	-	-	-	-
Meezan Rozana Amdani Fund	-	887,813	-	887,813	44,391	44,391	-	75.07	75.07
Total as at June 30, 2023					59,454	59,132	(321)	100.00	100.00
Total as at June 30, 2022					146,061	142,740	(3,321)		
Meezan Asset Allocation Plan I									
AI Meezan Mutual Fund	1,280,478	-	939,511	340,967	5,360	5,346	(14)	7.52	7.17
Meezan Daily Income Fund	340,490	438,107	99,000	679,597	33,980	33,980	-	47.79	45.56
Meezan Dedicated Equity Fund	1,223,499	-	344,585	878,914	35,346	35,252	(94)	49.58	47.27
Total as at June 30, 2023					74,686	74,578	(108)	104.89	100.00
Total as at June 30, 2022					97,010	86,359	(10,652)		
Total investments in units of mutual Funds									
AI Meezan Mutual Fund	1,280,478	-	939,511	340,967	5,360	5,346	(14)	2.08	2.06
Meezan Islamic Fund	5,362,157	272,287	3,929,798	1,704,646	95,606	93,442	(2,164)	36.43	36.03
Meezan Islamic Income Fund	4,435,537	64,772	4,500,309	-	-	-	-	-	-
Meezan Daily Income Fund	340,490	438,107	99,000	679,597	33,980	33,980	-	13.25	13.10
Meezan Sovereign Fund	-	1,774,133	1,774,133	-	-	-	-	-	-
Meezan Rozana Amdani Fund	-	1,827,005	-	1,827,006	91,350	91,350	-	35.61	35.22
Meezan Dedicated Equity Fund	1,223,499	-	344,585	878,914	35,346	35,252	(94)	13.74	13.59
Total as at June 30, 2023					261,642	259,370	(2,272)	101.11	100.00
Total as at June 30, 2022					662,015	616,453	(45,564)		

7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Note	As at June 30, 2023				
	Aggressive	Moderate	Conservative	MAAP-I	Total
(Rupees in '000)					
Remuneration payable	1	-	1	-	2
Sindh Sales Tax payable on remuneration of Management Company	-	-	-	-	-
Sales load payable	15	4	6	-	25
Sindh Sales Tax payable on sales load	2	1	1	-	4
Allocated expenses payable	6	5	19	6	36
	24	10	27	6	67

Note	As at June 30, 2022				
	Aggressive	Moderate	Conservative	MAAP-I	Total
	(Rupees in '000)				
Remuneration payable	1	1	1	-	3
Sindh Sales Tax payable on remuneration of Management Company	-	-	-	-	-
Sales load payable	10	46	3	-	59
Sindh Sales Tax payable on sales load	1	6	-	-	7
Allocated expenses payable	12	8	27	7	54
	<u>24</u>	<u>61</u>	<u>31</u>	<u>7</u>	<u>123</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, the Management Company has charged its remuneration at the rate of 1% (2022: 1%) per annum of the daily bank balance of the Fund during the year ended June 30, 2023. The remuneration is payable to the Management Company monthly in arrears.

7.2 During the year, an amount of Rs 0.006 million (2022: Rs 0.013 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2022: 13%) and an amount of Rs. 0.006 million (2022: Rs. 0.015 million) has been paid to the Management Company which acts as a collecting agent.

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

The Management Company, based on its own discretion, has charged such expenses at the rate of 0.11% (2022: 0.11%) of the average annual net assets of the respective plans of the Fund during the year ended June 30, 2023, subject to total expense charged being lower than actual expense incurred.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

Note	As at June 30, 2023				
	Aggressive	Moderate	Conservative	MAAP-I	Total
	(Rupees in '000)				
Remuneration payable	7	2	10	4	23
Sindh Sales Tax payable on remuneration of the Trustee	2	2	1	-	5
	<u>9</u>	<u>4</u>	<u>11</u>	<u>4</u>	<u>28</u>

Note	As at June 30, 2022				
	Aggressive	Moderate	Conservative	MAAP-I	Total
	(Rupees in '000)				
Remuneration payable	20	4	15	5	44
Sindh Sales Tax payable on remuneration of the Trustee	3	1	2	1	7
	<u>23</u>	<u>5</u>	<u>17</u>	<u>6</u>	<u>51</u>

8.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at 0.07% (2022: 0.07%) per annum based on the daily net assets of the Fund.

8.2 During the current year, an amount of Rs 0.039 million (2022: Rs. 0.072 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2022: 13%) and an amount of Rs. 0.041 million (2022: Rs. 0.073 million) was paid to the Trustee which acts as a collecting agent.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

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

Accordingly, the Fund has charged the SECP Fee at the rate of 0.02% (2022: 0.02%) of net assets during the current year.

10 ACCRUED EXPENSES AND OTHER LIABILITIES

As at June 30, 2023					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
(Rupees in '000)					
Withholding tax payable	-	-	-	297	297
Capital gain tax payable	11	5	23	-	39
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	72	40	36	16	164
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	368	497	528	3,295	4,688
Shariah advisor fee payable	38	31	30	33	132
Auditors' remuneration payable	163	77	86	78	404
	652	650	703	3,719	5,724

As at June 30, 2022					
Note	Aggressive	Moderate	Conservative	MAAP-I	Total
(Rupees in '000)					
Withholding tax payable	-	89	483	-	572
Capital gain tax payable	9	8	66	1	84
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	72	40	36	16	164
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	368	497	528	3,295	4,688
Shariah advisor fee payable	64	22	37	22	145
Auditors' remuneration payable	152	61	98	49	360
Printing charges payable	-	-	-	-	-
	665	717	1,248	3,383	6,013

- 10.1** 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 FED not been made, the Net Asset Value of the Fund as at June 30, 2023 would have been higher by Re.0.52, Re.0.65, Re.0.72 and Rs.2.85 per unit in Aggressive Allocation Plan, Moderate Allocation Plan, Conservative Allocation Plan and MAAP-I (June 30, 2022: Re.0.11, Re.0.38, Re.0.27 and Rs.2.44 per unit) respectively.

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2023 and June 30, 2022.

12 AUDITORS' REMUNERATION

For the year ended June 30, 2023					
	Aggressive	Moderate	Conservative	MAAP-I	Total
(Rupees in '000)					
Annual audit fee	186	88	100	95	469
Half year review fee	87	26	34	24	171
Out of pocket expenses	14	5	8	5	32
	287	119	142	124	672

For the year ended June 30, 2022					
	Aggressive	Moderate	Conservative	MAAP-I	Total
(Rupees in '000)					
Annual audit fee	162	65	103	60	390
Half year review fee	63	30	41	28	162
Out of pocket expenses	11	5	6	8	30
	236	100	150	96	582

13 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the year ended June 30, 2023 are:

	As at June 30, 2023			
	Aggressive	Moderate	Conservative	MAAP-I
Total Expense Ratio (TER)	0.46%	0.49%	0.48%	0.49%
Government levies	0.03%	0.03%	0.03%	0.03%

	As at June 30, 2022			
	Aggressive	Moderate	Conservative	MAAP-I
Total Expense Ratio (TER)	0.35%	0.37%	0.36%	0.36%
Government levies	0.03%	0.03%	0.03%	0.03%

The above calculated ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Fund of Fund scheme.

14 TAXATION

The 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. No provision for taxation has been made in these financial statements for aggressive, moderate and conservative plans during the year since the income of the Plans mostly pertains to capital gains (realised and unrealised), for MAAP-I the management has distributed atleast 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, to the unit holders as cash dividend.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in the Finance Act, 2022 is also not applicable on funds (section 4C of the Income Tax Ordinance, 2001).

15 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 15.1** Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives 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, Al Meezan Investment Management Limited Employees' Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.
- 15.2** 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.
- 15.3** 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.

15.4 Detail of transactions with connected persons / related parties and balances with them are as follows:

Balances	As at June 30, 2023				
	Aggressive	Moderate	Conservative	MAAP-I	Total
Al Meezan Investment Management Limited - Management Company					
Remuneration payable to the Management Company (Rs in '000)	1	-	1	-	2
Sindh Sales Tax payable on remuneration of the Management Company (Rs in '000)	-	-	-	-	-
Sales load payable (Rs in '000)	15	4	6	-	25
Sindh Sales Tax on sales load payable (Rs in '000)	2	1	1	-	4
Allocated expenses payable (Rs in '000)	6	5	19	6	36
Investment (Rs in '000)	-	-	9,754	-	9,754
Investment (Units)	-	-	129,573	-	129,573
Meezan Bank Limited					
Bank balance (Rs in '000)	486	831	527	281	2,125
Profit receivable (Rs in '000)	7	18	7	2	34
Sales load payable (Rs in '000)	1	-	2	-	3
Shariah advisory fee payable (Rs in '000)	38	31	30	33	132
Central Depository Company of Pakistan Limited - Trustee					
Remuneration payable to the Trustee (Rs in '000)	7	2	10	4	23
Sindh Sales Tax payable on remuneration of the Trustee (Rs in '000)	2	2	1	-	5
Meezan Islamic Fund					
Investment (Rs in '000)	47,874	30,826	14,742	-	93,442
Investment (Units)	873,360	562,357	268,929	-	1,704,646
Al Meezan Mutual Fund					
Investment (Rs in '000)	-	-	-	5,346	5,346
Investment (Units)	-	-	-	340,967	340,967
Meezan Daily Income Fund					
Investment (Rs in '000)	-	-	-	33,980	33,980
Investment (Units)	-	-	-	679,597	679,597
Meezan Rozana Amdani Fund					
Investment (Rs in '000)	16,018	30,942	44,391	-	91,351
Investment (Units)	320,358	618,835	887,813	-	1,827,006
Meezan Dedicated Equity Fund					
Investment (Rs in '000)	-	-	-	35,252	35,252
Investment (Units)	-	-	-	878,914	878,914



	As at June 30, 2023				
	Aggressive	Moderate	Conservative	MAAP-I	Total
Unit Holders holding 10% or more units of the Fund					
Investment (Rs in '000)	-	-	9,754	47,825	57,579
Investment (Units)	-	-	129,573	781,151	910,724
Directors and Executives of the Management Company					
Investment	1,370	25	15	-	1,410
Investment (Units)	18,240	335	195	-	18,770
Balances					
	As at June 30, 2022				
	Aggressive	Moderate	Conservative	MAAP-I	Total
AI Meezan Investment Management Limited - Management Company					
Remuneration payable to the Management Company (Rs in '000)	1	1	1	-	3
Sindh Sales Tax payable on remuneration of the Management Company (Rs in '000)	-	-	-	-	-
Sales load payable (Rs in '000)	10	46	3	-	59
Sindh Sales Tax payable on sales load payable (Rs in '000)	1	6	-	-	7
Allocated expenses payable (Rs in '000)	12	8	27	7	54
Investment (Rs in '000)	-	-	8,882	-	8,882
Investment (Units)	-	-	129,573	-	129,573
Dividend Reinvest during the year (Rs in '000)	-	-	335	-	335
Meezan Bank Limited					
Bank balance (Rs in '000)	1,440	4,396	618	574	7,028
Profit receivable (Rs in '000)	5	6	10	3	24
Sales load payable (Rs in '000)	1	-	-	-	1
Central Depository Company of Pakistan Limited - Trustee					
Remuneration payable to the Trustee (Rs in '000)	20	4	15	5	44
Sindh Sales Tax on remuneration of the Trustee (Rs in '000)	3	1	2	1	7
Meezan Islamic Fund					
Investment (Rs in '000)	217,991	48,002	35,529	-	301,522
Investment (Units)	3,876,671	853,646	631,840	-	5,362,157
AI Meezan Mutual Fund					
Investment (Rs in '000)	-	-	-	20,130	20,130
Investment (Units)	-	-	-	1,280,478	1,280,478
Meezan Daily Income Fund					
Investment (Rs in '000)	-	-	-	17,024	17,024
Investment (Units)	-	-	-	340,490	340,490
Meezan Islamic Income Fund					
Investment (Rs in '000)	73,084	48,278	107,211	-	228,573
Investment (Units)	1,418,226	936,853	2,080,458	-	4,435,537
Meezan Dedicated Equity Fund					
Investment (Rs in '000)	-	-	-	49,204	49,204
Investment (Units)	-	-	-	1,223,499	1,223,499
Unit Holders holding 10% or more units of the Fund					
Investment (Rs in '000)	187,592	-	36,365	46,477	270,434
Investment (Units)	2,525,819	-	530,483	756,229	3,812,531

Transactions
AI Meezan Investment Management Limited - Management Company

Remuneration to the Management Company (Rs in '000)	17	12	10	6	45
Sindh Sales Tax on remuneration of the Management Company (Rs in '000)	2	2	1	1	6
Allocated expenses (Rs in '000)	216	84	98	82	480

Meezan Bank Limited

Profit on saving account (Rs in '000)	114	115	104	53	386
Shariah advisory fee (Rs in '000)	108	51	57	52	268

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee (Rs in '000)	131	53	62	52	298
Sindh Sales Tax on remuneration of the Trustee (Rs in '000)	17	7	8	7	39

Unit holders holding 10% or more units of the Fund

Redeemed during the period (Rs. in '000)	142,440	-	37,354	-	179,794
Redeemed during the period (Units)	2,525,819	-	530,482	-	3,056,301

Directors and Executives of the Management Company

Invested during the year (Rs in '000)	5,030	24	3,828	-	8,882
Invested during the year (Units)	68,180	326	54,199	-	122,705
Redeemed during the year (Rs in '000)	3,843	31	5,715	-	9,589
Redeemed during the year (Units)	51,599	416	80,371	-	132,386

Meezan Islamic Fund

Invested during the year (Rs in '000)	5,924	6,481	2,467		14,872
Invested during the year (Units)	109,004	118,091	45,192		272,288
Redeemed during the year (Rs in '000)	171,372	22,920	23,099		217,391
Redeemed during the year (Units)	3,112,315	409,381	408,103		3,929,799

Meezan Sovereign Fund

Invested during the year (Rs in '000)	16,211	31,013	44,729		91,953
Invested during the year (Units)	312,778	598,357	862,999		1,774,134
Redeemed during the year (Rs in '000)	16,276	31,138	44,909		92,323
Redeemed during the year (Units)	312,778	598,357	862,999		1,774,134

Meezan Daily Income Fund

Invested during the year (Rs in '000)	-	-	-	21,905	21,905
Invested during the year (Units)	-	-	-	438,107	438,107
Redeemed during the year (Rs in '000)	-	-	-	4,950	4,950
Redeemed during the year (Units)	-	-	-	99,000	99,000
Dividend received during the period (Rs. in '000)				2,906	2,906

Meezan Rozana Amdani Fund

Invested during the year (Rs in '000)	16,018	30,942	44,391	-	91,351
Invested during the year (Units)	320,358	618,835	887,813	-	1,827,006

AI Meezan Mutual Fund

Redeemed during the year (Rs in '000)	-	-	-	14,620	14,620
Redeemed during the year (Units)	-	-	-	939,511	939,511

	For the year ended June 30, 2023				
	Aggressive	Moderate	Conservative	MAAP-I	Total
AI Meezan Investment Management Limited - Management Company					
Remuneration to the Management Company (Rs in '000)	17	12	10	6	45
Sindh Sales Tax on remuneration of the Management Company (Rs in '000)	2	2	1	1	6
Allocated expenses (Rs in '000)	216	84	98	82	480
Meezan Bank Limited					
Profit on saving account (Rs in '000)	114	115	104	53	386
Shariah advisory fee (Rs in '000)	108	51	57	52	268
Central Depository Company of Pakistan Limited - Trustee					
Remuneration of the Trustee (Rs in '000)	131	53	62	52	298
Sindh Sales Tax on remuneration of the Trustee (Rs in '000)	17	7	8	7	39
Unit holders holding 10% or more units of the Fund					
Redeemed during the period (Rs. in '000)	142,440	-	37,354	-	179,794
Redeemed during the period (Units)	2,525,819	-	530,482	-	3,056,301
Directors and Executives of the Management Company					
Invested during the year (Rs in '000)	5,030	24	3,828	-	8,882
Invested during the year (Units)	68,180	326	54,199	-	122,705
Redeemed during the year (Rs in '000)	3,843	31	5,715	-	9,589
Redeemed during the year (Units)	51,599	416	80,371	-	132,386
Meezan Islamic Fund					
Invested during the year (Rs in '000)	5,924	6,481	2,467		14,872
Invested during the year (Units)	109,004	118,091	45,192		272,288
Redeemed during the year (Rs in '000)	171,372	22,920	23,099		217,391
Redeemed during the year (Units)	3,112,315	409,381	408,103		3,929,799
Meezan Sovereign Fund					
Invested during the year (Rs in '000)	16,211	31,013	44,729		91,953
Invested during the year (Units)	312,778	598,357	862,999		1,774,134
Redeemed during the year (Rs in '000)	16,276	31,138	44,909		92,323
Redeemed during the year (Units)	312,778	598,357	862,999		1,774,134
Meezan Daily Income Fund					
Invested during the year (Rs in '000)	-	-	-	21,905	21,905
Invested during the year (Units)	-	-	-	438,107	438,107
Redeemed during the year (Rs in '000)	-	-	-	4,950	4,950
Redeemed during the year (Units)	-	-	-	99,000	99,000
Dividend received during the period (Rs. in '000)				2,906	2,906
Meezan Rozana Amdani Fund					
Invested during the year (Rs in '000)	16,018	30,942	44,391	-	91,351
Invested during the year (Units)	320,358	618,835	887,813	-	1,827,006
AI Meezan Mutual Fund					
Redeemed during the year (Rs in '000)	-	-	-	14,620	14,620
Redeemed during the year (Units)	-	-	-	939,511	939,511



	For the year ended June 30, 2023				
	Aggressive	Moderate	Conservative	MAAP-I	Total
Meezan Islamic Income Fund					
Invested during the year (Rs in '000)	-	3,500	-	-	3,500
Invested during the year (Units)	-	64,770	-	-	64,770
Redeemed during the year (Rs in '000)	79,002	56,717	115,878	-	251,597
Redeemed during the year (Units)	1,418,226	1,001,623	2,080,458	-	4,500,307
Meezan Dedicated Equity Fund					
Redeemed during the year (Rs in '000)	-	-	-	14,150	14,150
Redeemed during the year (Units)	-	-	-	344,586	344,586
Transactions					
	For the year ended June 30, 2022				
	Aggressive	Moderate	Conservative	MAAP-I	Total
AI Meezan Investment Management Limited - Management Company					
Remuneration for the year (Rs in '000)	31	26	37	9	103
Sindh Sales Tax on management fee (Rs in '000)	4	3	5	1	13
Allocated expense (Rs in '000)	364	150	233	137	884
Meezan Bank Limited					
Profit on saving account (Rs in '000)	78	86	107	22	293
Central Depository Company of Pakistan Limited - Trustee					
Remuneration of the Trustee for the year (Rs in '000)	232	95	148	87	562
Sindh Sales Tax on trustee fee (Rs in '000)	30	12	19	11	72
Unit holders holding 10% or more units of the Fund					
Redeemed during the period (Rs. in '000)	-	-	60,331	48,743	109,073
Redeemed during the period (Units)	-	-	853,715	754,449	1,608,164
Directors and Executives of the Management Company					
Invested during the year (Rs in '000)	6,990	237	9,233	-	16,459
Invested during the year (Units)	89,067	3,275	131,075	-	223,416
Amount redeemed during the year (Rs in '000)	8,430	208	7,285	-	15,923
Redeemed during the year (Units)	106,567	2,824	104,122	-	213,513
Meezan Islamic Fund					
Invested during the year (Rs. in '000)	30,639	27,756	18,543	3,000	79,938
Invested during the year (Units)	506,155	444,917	305,731	47,581	1,304,384
Redeemed during the year (Rs. in '000)	46,275	47,575	34,025	2,844	130,719
Redeemed during the year (Units)	751,688	778,713	572,170	47,581	2,150,152
Meezan Daily Income Fund					
Invested during the year (Rs in '000)	-	-	-	99,339	99,339
Invested during the year (Units)	-	-	-	1,986,772	1,986,772
Redeemed during the year (Rs in '000)	-	-	-	82,314	82,314
Redeemed during the year (Units)	-	-	-	1,646,282	1,646,282
Dividend received during the period (Rs. in '000)	-	-	-	1,731	1,731
AI Meezan Mutual Fund					
Redeemed during the year (Rs. in '000)	-	-	-	41,990	41,990
Redeemed during the year (Units)	-	-	-	2,477,784	2,477,784

	For the year ended June 30, 2022				
	Aggressive	Moderate	Conservative	MAAP-I	Total
Meezan Islamic Income Fund					
Invested during the year (Rs. in '000)	12,615	25,671	42,684	52,304	133,275
Invested during the year (Units)	241,624	489,959	807,839	989,214	2,528,636
Redeemed during the year (Rs. in '000)	26,714	53,631	109,293	96,664	286,302
Redeemed during the year (Units)	504,568	1,005,937	2,024,508	1,829,642	5,364,655
Dividend received during the year (Rs. in '000)	5,987	3,520	7,607	-	17,114
Refund of capital during the year (Rs. in '000)	178	451	1,101	-	1,731
Dividend Reinvest during the year (Units)	5,987	3,520	7,607	-	17,115
	-	-	-	-	-
Meezan Dedicated Equity Fund					
Redeemed during the year (Rs. in '000)	-	-	-	1,330	1,330
Redeemed during the year (Units)	-	-	-	29,915	29,915

15.5 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

16 FINANCIAL INSTRUMENTS BY CATEGORY

	2023			2022		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
	Rupees in '000			Rupees in '000		
Financial assets						
Balances with banks	2,894	-	2,894	7,760	-	7,760
Investments	-	259,370	259,370	-	616,454	616,454
Receivable against conversion of units	130	-	130	1	-	1
Profit receivable on saving accounts with banks	42	-	42	29	-	29
	3,066	259,370	262,436	7,790	616,454	624,244
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	67	-	67	123	-	123
Payable to Central Depository Company of Pakistan Limited - Trustee	28	-	28	51	-	51
Payable to Meezan Bank Limited	3	-	3	1	-	1
Payable to the Securities and Exchange Commission of Pakistan (SECP)	86	-	86	-	-	-
Payable against purchase of investments	29	-	29	-	-	-
Payable on redemption and conversion of units	-	-	-	2,935	-	2,935
Dividend payable	-	-	-	171	-	171
Accrued expenses and other liabilities	536	-	536	505	-	505
	749	-	720	3,786	-	3,786
Net financial assets / (liabilities)	2,317	259,370	261,716	4,004	616,454	620,458

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

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 June 30, 2022, the Fund is exposed to such risk on its balances held with banks. 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 year and net assets of the Fund would have been higher / lower by Rs. 0.029 million (2022: Rs. 0.078 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2023, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value 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 June 30, 2023 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2023 can be determined as follows:

----- As at June 30, 2023 -----					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
----- (Rupees in '000) -----					
On-balance sheet financial instruments					
Financial assets					
Balance with banks	7.14% to 20.25%	2,894	-	-	2,894
Investments		-	-	259,370	259,370
Receivable against conversion of units		-	-	130	130
Profit receivable on saving accounts with banks		-	-	42	42
		<u>2,894</u>	<u>-</u>	<u>259,542</u>	<u>262,436</u>
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company		-	-	67	67
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	28	28
Payable to Meezan Bank Limited		-	-	3	3
Payable to the Securities and Exchange Commission of Pakistan (SECP)		86	-	-	86
Payable against purchase of investments		29	-	-	29
Accrued expenses and other liabilities		-	-	536	536
		<u>115</u>	<u>-</u>	<u>634</u>	<u>749</u>
On-balance sheet gap (a)		<u>2,779</u>	<u>-</u>	<u>258,908</u>	<u>261,687</u>
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total profit rate sensitivity gap (a+b)		<u>2,779</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cumulative profit rate sensitivity gap		<u>2,779</u>	<u>2,779</u>	<u>2,779</u>	<u>-</u>

----- As at June 30, 2022 -----					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
----- (Rupees in '000) -----					
On-balance sheet financial instruments					
Financial assets					
Balance with banks	4.00% to 15.25%	7,760	-	-	7,760
Investments		-	-	616,454	616,454
Receivable against conversion of units		-	-	1	1
Profit receivable on saving accounts with banks		-	-	29	29
		<u>7,760</u>	<u>-</u>	<u>616,484</u>	<u>624,244</u>
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company		-	-	123	123
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	51	51
Payable to Meezan Bank Limited		-	-	1	1
Payable on redemption and conversion of units		-	-	2,935	2,935
Dividend payable		-	-	171	171
Accrued expenses and other liabilities		-	-	505	505
		<u>-</u>	<u>-</u>	<u>3,786</u>	<u>3,786</u>
On-balance sheet gap (a)		<u>7,760</u>	<u>-</u>	<u>612,698</u>	<u>620,458</u>
Off-balance sheet financial instruments		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Off-balance sheet gap (b)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total profit rate sensitivity gap (a+b)		<u>7,760</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cumulative profit rate sensitivity gap		<u>7,760</u>	<u>7,760</u>	<u>7,760</u>	<u>-</u>

17.1.1 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.

17.1.2 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 profit 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 has exposure to equity price risk arising from the Fund investments in open end mutual funds. The Fund manages its price risk arising from investments by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by the SECP from time to time.

In case of 1% increase / decrease in equity prices as at June 30, 2023 with all other variables held constant, the total comprehensive income of the Fund for the year would increase / decrease by Rs. 2.5937 million (2022: Rs. 6.1645 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

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 requests during the year.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

	Maturity up to					2023	
	One month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
----- (Rupees in '000) -----							
Financial assets							
Balances with banks	2,894	-	-	-	-	-	2,894
Investments	-	-	-	-	-	259,370	259,370
Receivable against conversion of units	130	-	-	-	-	-	130
Profit receivable on saving accounts with banks	42	-	-	-	-	-	42
	3,066	-	-	-	-	259,370	262,436
Financial liabilities							
Payable to Al Meezan Investment Management Limited - Management Company	67	-	-	-	-	-	67
Payable to Central Depository Company of Pakistan Limited - Trustee	28	-	-	-	-	-	28
Payable to Meezan Bank Limited	3	-	-	-	-	-	3
Payable to the Securities and Exchange Commission of Pakistan (SECP)	86	-	-	-	-	-	86
Payable against purchase of investments	29	-	-	-	-	-	29
Accrued expenses and other liabilities	-	536	-	-	-	-	536
	213	536	-	-	-	-	749
	2,853	(536)	-	-	-	259,370	261,687
----- (Rupees in '000) -----							
	Maturity up to					2022	
	One month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
----- (Rupees in '000) -----							
Financial assets							
Balances with banks	7,760	-	-	-	-	-	7,760
Investments	-	-	-	-	-	616,454	616,454
Receivable against conversion of units	1	-	-	-	-	-	1
Profit receivable on saving accounts with banks	29	-	-	-	-	-	29
	7,790	-	-	-	-	616,454	624,244
Financial liabilities							
Payable to Al Meezan Investment Management Limited - Management Company	123	-	-	-	-	-	123
Payable to Central Depository Company of Pakistan Limited - Trustee	51	-	-	-	-	-	51
Payable to Meezan Bank Limited	1	-	-	-	-	-	1
Payable on redemption and conversion of units	2,935	-	-	-	-	-	2,935
Dividend payable	171	-	-	-	-	-	171
Accrued expenses and other liabilities	-	505	-	-	-	-	505
	3,281	505	-	-	-	-	3,786
	4,509	(505)	-	-	-	616,454	620,458

17.3 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	2023		2022	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees in '000) -----				
Financial assets				
Balances with banks	2,894	2,894	7,760	7,760
Investments	259,370	-	616,454	-
Receivable against conversion of units	130	130	1	1
Profit receivable on saving accounts	42	42	29	29
	262,436	3,066	624,244	7,790

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in units of mutual funds are not exposed to credit risk.

17.3.1 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and profit accrued thereon, receivable against sale of units and receivable against sale of investments. The credit rating profile of balances with banks is as follows:

	As at June 30, 2023		As at June 30, 2022	
	(Rs. in '000)	(Percentage)	(Rs. in '000)	(Percentage)
AAA	2,125	73.43	7,028	90.5670103
AA+	275	9.50	253	3.26
AA	490	16.93	475	6.12
AA-	4	0.14	-	-
A+	-	-	4	0.05
	2,894	100.00	7,760	100.00

None of the financial assets were considered to be past due or impaired as on June 30, 2023.

The Fund does not have any collateral against any of the aforementioned assets.

18 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 no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 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 requirement 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 17, 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.

19 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 June 30, 2023, the Fund held the following financial instruments measured at fair values:

	2023			2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	(Rupees in '000)			(Rupees in '000)		
Financial assets						
At fair value through profit or loss	-	259,370	-	-	616,454	-
	-	259,370	-	-	616,454	-

20 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Details of members of investment committee of the Fund are as follows:

Name	Designation	Qualification	Overall experience
Mr. Mohammad Shoaib	Chief Executive Officer	CFA / MBA	Thirty Three years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Twenty Seven years
Mr. Taha Javed	Head of Equities	CFA / MBA	Sixteen years
Mr. Faizan Saleem	Head of Shariah Compliant Incom	CFA level II / MBA	Sixteen years
Mr. Ali Asghar	Head of Research	CFA / MBA	Twelve years
Mr. Ali Khan	Head of Product Development	CFA / FRM / MBA	Thirteen years
Mr. Akhtar Munir	Head of Risk Management	CFA / MBA, ACCA, FRM, FCMA	Fourteen years
Mr. Ahmed Hassan	SVP Investments	CFA / MBA	Sixteen years
Mr. Asif Imtiaz	VP Investments	CFA / MBA - Finance	Fifteen years
Mr. Zohaib Saeed	AVP Fixed Income	CFA/ACCA	Nine years

20.1 The Fund manager of the Fund is Mr. Asif Imtiaz. Other funds being managed by the Fund Manager are as follows:

- KSE-Meezan Index Fund;
- Meezan Balanced Fund;
- Meezan Asset Allocation Fund;
- Meezan Strategic Allocation Fund;
- Meezan Strategic Allocation Fund-II;
- Meezan Strategic Allocation Fund-III; and
- Meezan Dedicated Equity Fund.

21 DETAILS OF MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of Directors	Designation	Meeting held on			
		Aug 16, 2022	Oct 13, 2022	Feb 13, 2023	April 12, 2023
Mr. Ariful Islam	Chairman	Yes	Yes	Yes	Yes
Mr. Muhammad Abdullah Ahmed	Non-Executive	Yes	Yes	Yes	Yes
Mr. Moin M. Fudda*	Non-Executive	Yes	Yes	Yes	Yes
Mr. Furquan Kidwai	Independent Director	Yes	Yes	Yes	Yes
Mr. Mubashar Maqbool	Non-Executive	Yes	Yes	Yes	Yes
Mr. Tariq Mairaj	Non-Executive	Yes	Yes	Yes	Yes
Mr. Naeem	Non-Executive	Yes	Yes	Yes	Yes
Mr. Feroz Rizvi	Independent Director	Yes	Yes	Yes	Yes
Ms. Danish Zuberi	Independent Director	Yes	No	Yes	Yes
Mr. Mohammad Shoaib, CFA	Chief Executive Officer	Yes	Yes	Yes	Yes

*Mr. Moin M. Fudda resigned from the Board on June 9, 2023.

22 UNIT HOLDING PATTERN OF THE FUND

	AGGRESSIVE					
	----- As at June 30, 2023 -----			----- As at June 30, 2022 -----		
	Number of investors	Investment amount (Rupees in '000)	Percentage of total investment	Number of investors	Investment amount (Rupees in '000)	Percentage of total investment
Individuals	564	63,504	99.12	676	85,234	29.35
Retirement Funds	2	553	0.86	3	144,177	49.65
Others	45	10	0.02	2	60,955	20.99
Total	611	64,067	100.00	681	290,366	100.00

	MODERATE					
	----- As at June 30, 2023 -----			----- As at June 30, 2022 -----		
	Number of investors	Investment amount (Rupees in '000)	Percentage of total investment	Number of investors	Investment amount (Rupees in '000)	Percentage of total investment
Individuals	384	55,563	89.34	446	90,364	90.31
Retirement Funds	2	138	0.22	2	3,525	3.52
Others	31	6,496	10.44	4	6,170	6.17
Total	417	62,197	100.00	452	100,059	100.00

	CONSERVATIVE					
	----- As at June 30, 2023 -----			----- As at June 30, 2022 -----		
	Number of investors	Investment amount (Rupees in '000)	Percentage of total investment	Number of investors	Investment amount (Rupees in '000)	Percentage of total investment
Individuals	400	48,534	82.08	412	78,703	55.88
Associated company	1	9,754	16.49	1	8,883	6.31
Retirement Funds	2	729	1.23	4	53,145	37.72
Others	24	118	0.20	1	108	0.08
Total	427	59,135	100.00	418	140,839	100.00

	MAAP-I					
	----- As at June 30, 2023 -----			----- As at June 30, 2022 -----		
	Number of investors	Investment amount (Rupees in '000)	Percentage of total investment	Number of investors	Investment amount (Rupees in '000)	Percentage of total investment
Individual	50	23,275	32.74	78	37,042	44.35
Retirement Funds	-	-	-	-	-	-
Others	2	47,825	67.26	2	46,477	55.65
Total	52	71,100	100.00	80	83,519	100.00



23 DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors of the Management Company on August 7, 2023.

24 GENERAL

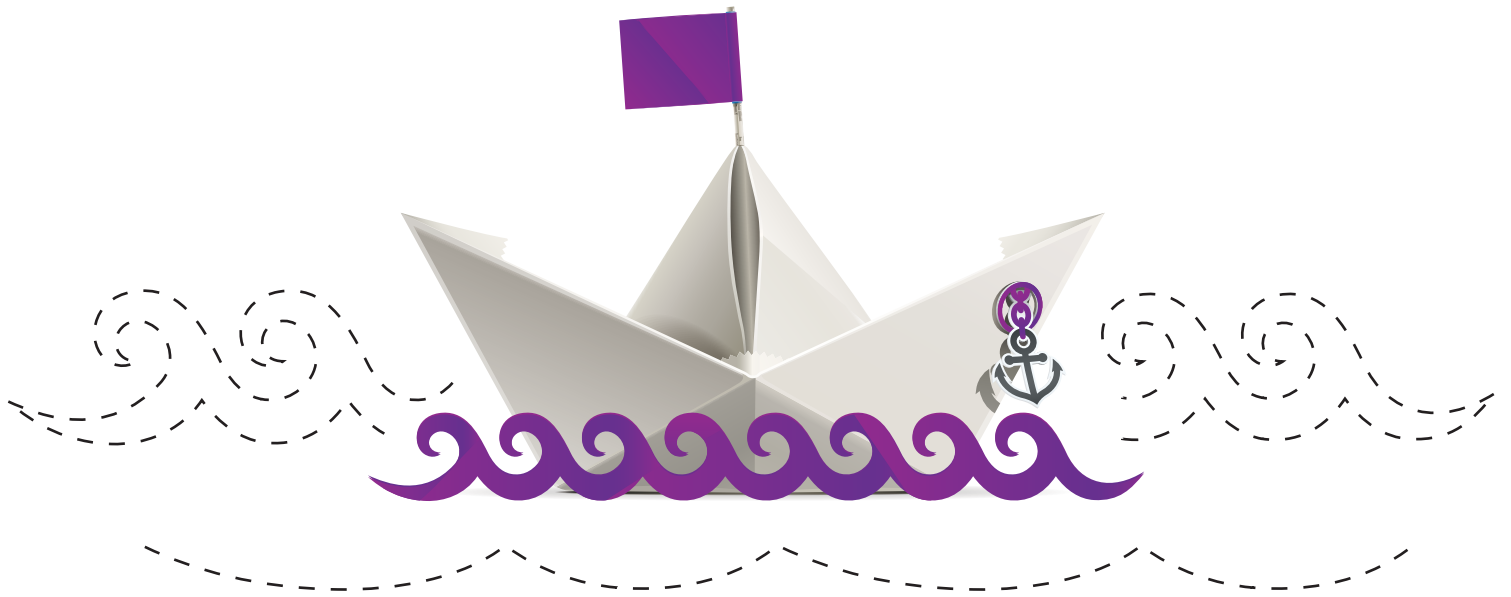
24.1 Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.

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

Chief Executive

Chief Financial Officer

Director



Crisis Preparedness and Adaptation

Al Meezan's ability to evolve its strategies during market crisis demonstrates its dedication to maintaining investment excellence even in challenging times.

Meezan Strategic Allocation Fund

Meezan Strategic Allocation Fund is a Shariah Compliant scheme which uses active asset allocation strategy for providing competitive returns on investment. It is a unique asset allocation fund for investors who wish to benefit from the equity market and want an actively managed investment portfolio with diversification.

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
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Mr. Mohammad Shoab, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Non-Executive Nominee Director- MBL
Mr. Naeem Sattar	Non-Executive Nominee Director- PKIC
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Mr. Tariq Mairaj	Non-Executive Nominee Director- MBL

Ms. Shazia Khurram was appointed on July 4, 2023 as director in place of Mr. Moin M. Fudda who resigned from the Board on June 9, 2023 and Mr. Saad Ur Rahman Khan was appointed on August 7, 2023 in place of Mr. Mubashar Maqbool who resigned from the Board on July 21, 2023. The revised composition of the Board Committees is as under.

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. Saad Ur Rahman Khan	Chairman
Ms. Shazia Khurram	Member
Mr. Furquan R. Kidwai	Member

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Saad Ur Rahman Khan	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoab, CFA	Member

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Mohammad Shoab, 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

Dr. Muhammad Imran Usmani
Jamia Darul Uloom Karachi
Korangi Industrial Area Karachi Postal Code 75180 Pakistan
Tel: +92 21 35044770
Email: miu786@gmail.com

BANKERS TO THE FUND

Bank Al Habib Limited - Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited

LEGAL ADVISER

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

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



Pure. Profit.



REPORT OF THE FUND MANAGER Meezan Strategic Allocation Fund (MSAF)

Type of Fund

MSAF is a perpetual Shariah Compliant (Islamic) Fund of Funds Scheme.

Objective

The fund aims to generate returns on Investments as per respective Allocation Plans by investing in Shariah Compliant Fixed Income and Equity Mutual Funds in line with risk/return preference of the investor.

Strategy and Investment Policy

MSAF has six Allocation Plans which allow investors to invest according to their risk tolerance levels.

These are closed end Plans which are suitable for Investors having a relatively moderate risk tolerance and/or wish to earn a relatively higher return over the medium term. These can switch exposure between Shariah compliant equity and fixed income mutual funds without any minimum or maximum limits, subject to expectations regarding the market performance.

In line with these different allocation plans, the benchmarks are also a weighted average combination of KSE Meezan Index 30 and Fixed Income/Money Market Schemes performance, according to the invested percentages in both the asset classes.

Meezan Strategic Allocation Plan - I	Weighted avg. return of KMI 30 Index and Fixed Income/ Money Market Scheme as per actual allocation.
Meezan Strategic Allocation Plan - II	
Meezan Strategic Allocation Plan - III	
Meezan Strategic Allocation Plan - IV	
Meezan Strategic Allocation Plan - V	
Meezan Strategic Allocation Plan - MCPP-III	



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Performance Table with Benchmark

Returns - FY23	
MSAP I	3.30%
Benchmark	3.60%
MSAPII	3.37%
Benchmark	3.51%
MSAP III	3.26%
Benchmark	3.66%
MSAP IV	2.87%
Benchmark	3.60%
MSAP V	2.65%
Benchmark	3.72%
MCPPIII	11.95%
Benchmark	5.36%

Meezan Strategic Allocation Plan - I

The Meezan Strategic Allocation Plan – I posted a total income of Rs. 4.1 million in FY23 as compared to total loss of Rs. 37 million last year. Total income comprised of realized and unrealized loss on investments of Rs. 4 million and Rs. 0.41 million respectively. Dividend income comprised of Rs. 8.4 million. After accounting for expenses of Rs. 0.78 million, the Fund posted a net income of Rs. 3.4 million. The net assets of the Fund as at June 30, 2023 were Rs. 188.4 million as compared to Rs. 382.8 million at the end of last year depicting a decline of 50.78%.

Meezan Strategic Allocation Plan - II

The Meezan Strategic Allocation Plan – II posted a total Income of Rs. 3.4 million in FY23 as compared to total loss of Rs. 25 million last year. Total income comprised of realized loss and unrealized gain on investments of Rs. 4 million and Rs. 0.21 million respectively. Dividend income comprised of Rs. 7 million. After accounting for expenses of Rs. 0.70 million, the Fund posted a net income of Rs. 2.7 million. The net assets of the Fund as at June 30, 2023 were Rs. 159.8 million as compared to Rs. 321.5 million at the end of last year depicting a decline of 50.27%.

Meezan Strategic Allocation Plan - III

The Meezan Strategic Allocation Plan – III posted a total income of Rs. 5.5 million in FY23 as compared to total loss of Rs. 21.3 million last year. Total income comprised of realized and unrealized loss on investments of Rs. million and Rs. 0.48 million respectively. Dividend income comprised of Rs. 6.6 million. After accounting for expenses of Rs. 0.60 million, the Fund posted a net income of Rs. 5 million. The net assets of the Fund as at June 30, 2023 were Rs. 130.5 million as compared to Rs. 214.3 million at the end of last year depicting a decline of 39.06%.

Meezan Strategic Allocation Plan - IV

The Meezan Strategic Allocation Plan – IV posted a total income of Rs. 2.6 million in FY2 as compared to total loss of Rs. 10.9 million last year. Total income comprised of realized and unrealized loss on investments of Rs. 0.06 million and Rs. 0.11 million respectively. Dividend income comprised of Rs. 2.7 million. After accounting for expenses of Rs. 0.31 million, the Fund posted a net income of Rs. 2.3 million.



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The net assets of the Fund as at June 30, 2023 were Rs. 76.6 million as compared to Rs. 104.9 million at the end of last year depicting a decline of 26.97%

Meezan Strategic Allocation Plan - V

The Meezan Strategic Allocation Plan – V posted a total Income of Rs. 1.2 million in FY23 as compared to total loss of Rs. 4.8 million last year. Total Income comprised of realized gain and unrealized loss on investments of Rs. 0.93 million and Rs. 0.13 million respectively. Dividend income comprised of Rs. 1.19 million. After accounting for expenses of Rs. 0.15 million, the Fund posted a net gain of Rs. 1.05 million. The net assets of the Fund as at June 30, 2023 were Rs. 33.6 million as compared to Rs. 49 million at the end of last year depicting a decline of 31.30%.

Meezan Capital Preservation Plan – III

The Meezan Capital Preservation Plan – III posted a total income of Rs. 20.5 million in FY23 as compared to total income of Rs. 10.5 million last year. Total income comprised of realized gain and unrealized loss on investments and Rs. 0.33 million and Rs. 0.43 million respectively. Dividend income and profit on saving account with banks comprised of Rs. 20.5 million and 0.08 million respectively. After accounting for expenses of Rs. 0.58 million, the Fund posted a net income of Rs. 19.8 million. The net assets of the Fund as at June 30, 2023 were Rs. 154.8 million as compared to Rs.195.9 million at the end of last year depicting a decline of 20.98%.

Distributions

The Final Pay out by the Fund during the fiscal year ended June 30, 2023 was 0.80, 0.72, 1.50, 1.30, 1.45, 6.40 per unit in MSAP-I, MSAP-II, MSAP-III, MSAP-IV, MSAP-V and MCPP-III.

SWWF Disclosure

Not Applicable

Breakdown of unit holdings by size

As on June 30, 2023)

Range (Units)	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III
	No. of investo	No. of investors	No. of investors	No. of investors	No. of investors	No. of investors
1 - 9,999	64	97	42	30	20	103
10,000 - 49,999	26	25	36	27	6	24
50,000 - 99,999	6	4	7	6	1	4
100,000 - 499,999	10	2	8	4	3	8
500,000 and above	2	3	0	0	0	0
Total	108	131	93	67	30	139

PERFORMANCE TABLE
MEEZAN STRATEGIC ALLOCATION FUND

	As at June 30, 2023					
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III
Net assets (Rs. in '000) (ex-distribution)	188,439	159,882	130,595	76,656	33,698	154,839
Net assets value per unit as at 30 June (Rs.) (ex-distribution)	44.5357	44.1354	41.7970	43.0782	49.8873	54.4219
Highest redemption price per unit (Rs.)	46.3590	45.8149	44.3587	45.6604	52.8860	60.8454
Lowest redemption price per unit (Rs.)	41.5982	41.0236	39.7378	40.5815	47.0949	54.3252
Distribution (%)						
-Interim	1.60	1.44	3.00	2.60	2.90	12.80
Date of distribution						
-Interim	27-Jun-23	27-Jun-23	27-Jun-23	27-Jun-23	27-Jun-23	27-Jun-23
Income distribution (Rupees in '000)	3,338	2,572	4,560	2,263	956	16,603
Growth distribution (Rupees in '000)	-	-	-	-	-	-
Total return (%)	3.30%	3.37%	3.26%	2.87%	2.65%	11.95%
Average annual return as at June 30, 2023 (%) - One Year	3.30%	3.37%	3.26%	2.87%	2.65%	11.95%

	As at June 30, 2022					
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III
Net assets (Rs. in '000) (ex-distribution)	382,872	321,520	214,306	104,968	49,057	195,967
Net assets value per unit as at 30 June (Rs.) (ex-distribution)	43.8853	43.3940	41.9282	43.1405	50.0124	54.3250
Highest redemption price per unit (Rs.)	49.3794	48.6618	47.4530	49.0453	56.8817	57.6128
Lowest redemption price per unit (Rs.)	42.9719	42.5360	41.0363	42.2073	48.9751	54.3250
Distribution (%)						
-Interim	-	-	-	-	-	3.25
Date of distribution						
-Interim	-	-	-	-	-	June 30, 2022
Income distribution (Rupees in '000)	-	-	-	-	-	11,241
Growth distribution (Rupees in '000)	-	-	-	-	-	-
Total return (%)	-6.25%	-6.61%	-7.41%	-6.78%	-7.52%	5.13%
Average annual return as at June 30, 2022 (%) - One Year	-1.48%	-1.62%	-2.08%	-1.96%	-2.44%	8.54%

	As at June 30, 2021					
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III
Net assets (Rs. in '000) (ex-distribution)	673,664	452,203	500,785	212,669	62,873	264,770
Net assets value per unit as at 30 June (Rs.) (ex-distribution)	46.8129	46.4631	45.2827	46.2775	54.0799	54.7709
Highest redemption price per unit (Rs.)	47.9702	47.5974	46.4176	47.5009	55.5351	55.0157
Lowest redemption price per unit (Rs.)	37.0938	36.8264	35.7533	36.4283	42.3562	50.8474
Distribution (%)						
-Interim	-	-	-	-	-	-
Date of distribution						
-Interim	-	-	-	-	-	-
Income distribution (Rupees in '000)	-	-	-	-	-	-
Growth distribution (Rupees in '000)	-	-	-	-	-	-
Total return (%)	26.96%	26.29%	27.13%	27.49%	28.25%	7.72%
Average annual return as at June 30, 2021 (%) - Two Year	8.00%	7.68%	7.66%	7.86%	7.79%	8.27%

Dr. Muhammad Imran Usmani

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Report of the Shariah Advisor –Meezan Strategic Allocation Fund (MSAF)

July 29, 2023/ Dhu Al-Hijjah 29, 1443

Alhamdulillah, the period from July 1, 2022 to June 30, 2023 was the Seventh year of operations of Meezan Strategic Allocation Fund (the "MSAF" or the "Fund") under management of Al Meezan Investment Management Limited (the "Al Meezan" or the "Management Company"). I, Dr. Muhammad Imran Ashraf Usmani, am the Shariah Advisor of the Fund and issuing the Shariah Advisor Report (the "Report") in accordance with the Trust Deed of the Fund. The scope of the Report is to express an opinion on the Shariah compliance of the Fund's activity.

It is the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.


We have reviewed and approved the modes of investments of the Fund in light of Shariah requirements. On the basis of information provided by the Management Company, all operations of the Fund for the year ended June 30, 2023 have been in compliance with the Shariah principles.

In light of the above, we hereby certify that all the provisions of the scheme and investments made on account of the Fund under management of Al Meezan are Shariah-compliant and in accordance with the criteria established by us.

We further confirm that earnings realized through prohibited sources were transferred to the charity account (where applicable).

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

And Allah knows the best.



Dr. Muhammad Imran Ashraf Usmani
Shariah Advisor

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

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CDC House, 99-B, Block 'B'
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TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN STRATEGIC ALLOCATION FUND

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Meezan Strategic Allocation Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2023 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 25, 2023

INDEPENDENT AUDITORS' REPORT

To the Unit holders of Meezan Strategic Allocation Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Meezan Strategic Allocation Fund** (the Fund), which comprise the statement of assets and liabilities as at **30 June 2023**, and the income statement, comprehensive income, cash flows statement and movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Fund as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key audit matter	How our audit addressed the key audit matter
1. Existence and valuation of bank balances and investments	
As disclosed in note 5 and 6 to the accompanying financial statements of the Fund for the year ended 30 June 2023, the bank balances and investments (comprised of units of open ended mutual funds) held by the Fund represent 99.9% of the total assets of the Fund as at the year end.	<p>We performed a combination of audit procedures focusing on the existence and valuation of bank balances and investments. Our key procedures included the following:</p> <ul style="list-style-type: none"> - We obtained independent confirmations for verifying the existence of the bank balances as at 30 June 2023 and reconciled it with the books and records of the Fund. - We tested controls over acquisition, disposals and periodic valuation of investments portfolio.

Key audit matter	How our audit addressed the key audit matter
<p>In view of the significance of bank balances and investment in relation to the total assets and the Net Assets Value (NAV) of the Fund, we have considered the existence and valuation of such bank balances and investments as a key audit matter.</p>	<ul style="list-style-type: none"> - We performed substantive audit procedures on year-end balance of portfolio including review of custodian's statement and related reconciliations and valuations on such investments in accordance with the accounting policy of the Fund as mentioned in note 4. - We evaluated the appropriateness of the classification of the investments in accordance with the requirements of IFRS 9 and the valuations in accordance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). - We assessed the Fund's compliance with the requirements of the Regulations in relation to the concentration of investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard. - We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

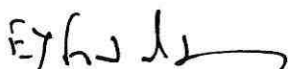
Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

Other Matter

The annual financial statements for the year ended 30 June 2022 were audited by another firm of Chartered Accountants, whose audit report dated 21 September 2022, expressed an unmodified opinion, on the aforementioned financial statements.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.



Chartered Accountants

Date: 26 September 2023

Place: Karachi

UDIN Number: AR202310076wjmsx31cq



**MEEZAN STRATEGIC ALLOCATION FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2023**

		June 30, 2023						
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total	
(Rupees in '000)								
Assets								
Balances with banks	5	2,158	540	276	3,749	981	4,688	12,392
Investments	6	187,339	159,861	131,495	74,088	32,889	153,294	738,966
Profit receivable on savings account with banks		3	15	16	16	11	18	79
Total assets		189,500	160,416	131,787	77,853	33,881	158,000	751,437
Liabilities								
Payable to AI Meezan Investment Management Limited - Management Company	7	16	14	12	11	3	19	75
Payable to Central Depository Company of Pakistan Limited - Trustee	8	13	11	8	5	2	10	49
Payable to the Securities and Exchange Commission of Pakistan	9	46	38	36	17	8	35	180
Payable against redemption and conversion of units		74	-	-	498	-	-	572
Payable against purchase of investments		-	-	-	-	-	-	-
Dividend payable		80	66	197	201	1	393	938
Accrued expenses and other liabilities	10	832	405	939	465	169	2,704	5,514
Total liabilities		1,061	534	1,192	1,197	183	3,161	7,328
Net assets		188,439	159,882	130,595	76,656	33,698	154,839	744,109
Unit holders' fund (as per statement attached)		188,439	159,882	130,595	76,656	33,698	154,839	744,109
Contingencies and commitments	11							
----- (Number of units) -----								
Number of units in issue		4,231,192	3,622,538	3,124,507	1,779,484	675,483	2,845,161	
----- (Rupees) -----								
Net asset value per unit		44.5357	44.1354	41.7970	43.0782	49.8873	54.4219	

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2023**

		June 30, 2022						
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
(Rupees in '000)								
Assets								
Balances with banks	5	807	4,682	2,917	538	560	620	10,124
Investments	6	382,426	317,108	211,612	104,527	48,535	198,745	1,262,953
Profit receivable on savings account with banks		2	25	8	4	3	5	47
Total assets		<u>383,235</u>	<u>321,815</u>	<u>214,537</u>	<u>105,069</u>	<u>49,098</u>	<u>199,370</u>	<u>1,273,124</u>
Liabilities								
Payable to AI Meezan Investment Management Limited - Management Company	7	34	30	20	10	4	18	116
Payable to Central Depository Company of Pakistan Limited - Trustee	8	25	21	14	7	3	13	83
Payable to the Securities and Exchange Commission of Pakistan	9	108	78	71	30	11	46	344
Payable against purchase of investment Dividend Payable		33	29	18	8	5	75	
Accrued expenses and other liabilities	10	-	-	-	-	-	1,675	1,675
Total liabilities		<u>163</u>	<u>137</u>	<u>108</u>	<u>46</u>	<u>18</u>	<u>1,576</u>	<u>2,048</u>
		363	295	231	101	41	3,403	4,434
Net assets		<u>382,872</u>	<u>321,520</u>	<u>214,306</u>	<u>104,968</u>	<u>49,057</u>	<u>195,967</u>	<u>1,268,690</u>
Unit holders' fund (as per statement attached)		<u>382,872</u>	<u>321,520</u>	<u>214,306</u>	<u>104,968</u>	<u>49,057</u>	<u>195,967</u>	<u>1,268,690</u>
Contingencies and commitments	11	----- (Number of units) -----						
Number of units in issue		<u>8,724,383</u>	<u>7,409,321</u>	<u>5,111,265</u>	<u>2,433,165</u>	<u>980,896</u>	<u>3,607,311</u>	
		----- (Rupees) -----						
Net asset value per unit		<u>43.8853</u>	<u>43.3940</u>	<u>41.9282</u>	<u>43.1405</u>	<u>50.0124</u>	<u>54.3250</u>	

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

For the year ended June 30, 2023							
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
(Rupees in '000)							
Income							
Net realised (loss) / gain on sale of investments	(4,043)	(4,038)	(621)	(56)	73	327	(8,358)
Profit on savings accounts with banks	172	242	86	104	65	81	750
Dividend income	8,484	7,064	6,610	2,715	1,189	20,528	46,590
	4,613	3,268	6,075	2,763	1,327	20,936	38,982
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial asset at fair value through profit or loss'	6.1	(414)	206	(476)	(109)	(127)	(1,350)
Total (loss) / income	4,199	3,474	5,599	2,654	1,200	20,506	37,632
Expenses							
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	21	31	12	16	9	100
Sindh Sales Tax on remuneration of the Management Company	7.2	3	4	1	2	1	12
Allocated expenses	7.3	255	207	196	95	41	987
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	162	132	125	61	27	631
Sindh Sales Tax on remuneration of the Trustee	8.2	21	17	16	8	3	81
Annual fee to the Securities and Exchange Commission of Pakistan	9.1	46	38	36	17	8	180
Auditors' remuneration	12	168	134	128	62	27	639
Fees and subscription		78	64	59	28	12	338
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)		-	-	-	-	-	-
Bank and settlement charges		27	72	23	25	22	223
Total expenses		781	699	596	314	150	3,191
Net income for the year before taxation		3,418	2,775	5,003	2,340	1,050	34,441
Taxation	14	-	-	-	-	-	-
Net income for the year after taxation		3,418	2,775	5,003	2,340	1,050	34,441
Allocation of net income for the year							
Net income for the year after taxation		3,418	2,775	5,003	2,340	1,050	34,441
Income already paid on units redeemed		-	-	(444)	(62)	(12)	(3,008)
		3,418	2,775	4,559	2,278	1,038	30,915
Accounting income available for distribution							
- Relating to capital gains		-	-	-	-	-	-
- Excluding capital gains		3,418	2,775	4,559	2,278	1,038	30,915
		3,418	2,775	4,559	2,278	1,038	30,915

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

For the year ended June 30, 2022								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total	
(Rupees in '000)								
Income								
Net realised gain on sale of investments	(11,715)	(5,669)	(3,960)	(3,361)	(937)	(945)	(26,587)	
Profit on savings accounts with banks	69	56	69	31	21	29	275	
Dividend income	11,056	7,635	7,235	2,814	1,079	13,392	43,211	
Other income	156	106	118	132	47	110	669	
	(434)	2,128	3,462	(384)	210	12,586	17,568	
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial asset at fair value through profit or loss'	6.1	(36,961)	(27,219)	(24,806)	(10,544)	(5,061)	(2,028)	(106,619)
Total (loss) / income		(37,395)	(25,091)	(21,344)	(10,928)	(4,851)	10,558	(89,051)
Expenses								
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	13	8	15	6	6	8	56
Sindh Sales Tax on remuneration of the Management Company	7.2	2	1	2	1	1	1	8
Allocated expenses	7.3	595	431	392	167	63	252	1,900
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	379	274	250	106	40	161	1,210
Sindh Sales Tax on remuneration of the Trustee	8.2	49	36	32	14	5	21	157
Annual fee to the Securities and Exchange Commission of Pakistan	9	108	78	71	30	11	46	344
Auditors' remuneration	12	191	150	136	44	16	76	613
Fees and subscription		156	103	108	43	16	60	486
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)		(9,818)	(2,806)	(4,253)	(3,804)	(940)	(1,525)	(23,146)
Bank and settlement charges		9	89	23	8	1	5	135
Total expenses		(8,316)	(1,636)	(3,224)	(3,385)	(781)	(895)	(18,237)
Net (loss) / income for the year before taxation		(29,079)	(23,455)	(18,120)	(7,543)	(4,070)	11,453	(70,814)
Taxation	14	-	-	-	-	-	-	-
Net (loss) / income for the year after taxation		(29,079)	(23,455)	(18,120)	(7,543)	(4,070)	11,453	(70,814)
Allocation of net income for the year								
Net income for the year after taxation		-	-	-	-	-	11,453	-
Income already paid on units redeemed		-	-	-	-	-	(1,751)	-
		-	-	-	-	-	9,702	-
Accounting income available for distribution								
- Relating to capital gains		-	-	-	-	-	-	-
- Excluding capital gains		-	-	-	-	-	9,702	-
		-	-	-	-	-	9,702	-

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023**

For the year ended June 30, 2023							
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total	
------(Rupees in '000)-----							
Net income for the year after taxation	3,418	2,775	5,003	2,340	1,050	19,855	34,441
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	3,418	2,775	5,003	2,340	1,050	19,855	34,441

For the year ended June 30, 2022							
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total	
------(Rupees in '000)-----							
Net (loss) / income for the year after taxation	(29,079)	(23,455)	(18,120)	(7,543)	(4,070)	11,453	(70,814)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the year	(29,079)	(23,455)	(18,120)	(7,543)	(4,070)	11,453	(70,814)

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	June 30, 2023			June 30, 2023			June 30, 2023			June 30, 2023		
	MSAP-I			MSAP-II			MSAP-III			MSAP-IV		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total
----- (Rupees in '000) -----												
Net assets at the beginning of the year	825,205	(442,333)	382,872	645,787	(324,267)	321,520	600,847	(386,541)	214,306	560,671	(455,703)	104,968
Issuance of units:												
MSAP - I: 97,967 units / MSAP - II: 50,150 units												
MSAP - III: 97,320 units / MSAP - IV: 40,893 units												
MSAP - V: 16,208 units / MCPP - III: 259,026 units												
- Capital value (at net asset value per unit at the beginning of the year)	4,299	-	4,299	2,176	-	2,176	4,080	-	4,080	1,764	-	1,764
- Element of Income	52	-	52	38	-	38	14	-	14	-	-	-
Total proceeds on issuance of units	4,351	-	4,351	2,214	-	2,214	4,094	-	4,094	1,764	-	1,764
Redemption of units:												
MSAP - I: 4,591,158 units / MSAP - II: 3,836,933 units												
MSAP - III: 2,084,078 units / MSAP - IV: 694,573 units												
MSAP - V: 321,621 units / MCPP - III: 1,021,176 units												
- Capital value (at net asset value per unit at the beginning of the year)	201,484	-	201,484	166,500	-	166,500	87,382	-	87,382	29,964	-	29,964
- Element of (loss) / income	(2,620)	-	(2,620)	(2,445)	-	(2,445)	422	444	866	127	62	189
Total payments on redemption of units	198,864	-	198,864	164,055	-	164,055	87,804	444	88,248	30,091	62	30,153
Total comprehensive income for the year	-	3,418	3,418	-	2,775	2,775	-	5,003	5,003	-	2,340	2,340
Distribution during the year	-	(3,338)	(3,338)	-	(2,572)	(2,572)	-	(4,560)	(4,560)	-	(2,263)	(2,263)
Net income for the year less distribution	-	80	80	-	203	203	-	443	443	-	77	77
Net assets at the end of the year	630,692	(442,253)	188,439	483,946	(324,064)	159,882	517,137	(386,542)	130,595	532,344	(455,688)	76,656
(Accumulated loss) / undistributed income brought forward												
- Realised (loss) / income		(405,372)			(297,048)			(361,735)			(445,159)	
- Unrealised loss		(36,961)			(27,219)			(24,806)			(10,544)	
		(442,333)			(324,267)			(386,541)			(455,703)	
Accounting income available for distribution												
- Relating to capital gains		-			-			-			-	
- Excluding capital gains		3,418			2,775			4,559			2,278	
		3,418			2,775			4,559			2,278	
Net loss for the year after taxation		-			-			-			-	
Distribution during the year		(3,338)			(2,572)			(4,560)			(2,263)	
(Accumulated loss) / undistributed income carried forward		(442,253)			(324,064)			(386,542)			(455,688)	
(Accumulated loss) / undistributed income carried forward												
- Realised (loss) / income		(441,839)			(324,270)			(386,066)			(455,579)	
- Unrealised (loss) / gain		(414)			206			(476)			(109)	
		(442,253)			(324,064)			(386,542)			(455,688)	
		Rupees			Rupees			Rupees			Rupees	
Net asset value per unit at the beginning of the year		43.8853			43.3940			41.9282			43.1405	
Net asset value per unit at the end of the year		44.5357			44.1354			41.7970			43.0782	

The annexed notes 1 to 24 form an integral part of these financial statements.

For Al-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	June 30, 2023			June 30, 2023			June 30, 2023		
	MSAP-V			MCPPIII			Total		
	Capital Value	Accumulated loss	Total	Capital Value	Undistributed income	Total	Capital Value	Accumulated loss	Total
(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			
Net assets at the beginning of the year	115,187	(66,130)	49,057	157,456	38,511	195,967	2,905,153	(1,636,463)	1,268,690
Issuance of units:									
MSAP - I: 97,967 units / MSAP - II: 50,150 units									
MSAP - III: 97,320 units / MSAP - IV: 40,893 units									
MSAP - V: 16,208 units / MCPPIII: 259,026 units									
- Capital value (at net asset value per unit at the beginning of the year)	811	-	811	14,072	-	14,072	27,202	-	27,202
- Element of Income	(2)	-	(2)	34	-	34	136	-	136
Total proceeds on issuance of units	809	-	809	14,106	-	14,106	27,338	-	27,338
Redemption of units:									
MSAP - I: 4,591,158 units / MSAP - II: 3,836,933 units									
MSAP - III: 2,084,078 units / MSAP - IV: 694,573 units									
MSAP - V: 321,621 units / MCPPIII: 1,021,176 units									
- Capital value (at net asset value per unit at the beginning of the year)	16,085	-	16,085	55,475	-	55,475	556,890	-	556,890
- Element of (loss) / income	165	12	177	3	3,008	3,011	(4,348)	3,526	(822)
Total payments on redemption of units	16,250	12	16,262	55,478	3,008	58,486	552,542	3,526	556,068
Total comprehensive income for the year	-	1,050	1,050	-	19,855	19,855	-	34,441	34,441
Distribution during the year	-	(956)	(956)	-	(16,603)	(16,603)	-	(30,292)	(30,292)
Net income for the year less distribution	-	94	94	-	3,252	3,252	-	4,149	4,149
Net assets at the end of the year	99,746	(66,048)	33,698	116,084	38,755	154,839	2,379,949	(1,635,840)	744,109
(Accumulated loss) / undistributed income brought forward									
- Realised (loss) / income		(61,069)			40,539			(1,529,844)	
- Unrealised loss		(5,061)			(2,028)			(106,619)	
		(66,130)			38,511			(1,636,463)	
Accounting income available for distribution									
- Relating to capital gains		-			-			-	
- Excluding capital gains		1,038			16,847			30,915	
		1,038			16,847			30,915	
Net loss for the year after taxation		-			-			-	
Distribution during the year		(956)			(16,603)			(30,292)	
(Accumulated loss) / undistributed income carried forward		(66,048)			38,755			(1,635,840)	
(Accumulated loss) / undistributed income carried forward									
- Realised (loss) / income		(65,921)			39,185			(1,634,490)	
- Unrealised (loss) / gain		(127)			(430)			(1,350)	
		(66,048)			38,755			(1,635,840)	
		Rupees			Rupees				
Net asset value per unit at the beginning of the year		50.0124			54.3250				
Net asset value per unit at the end of the year		49.8873			54.4219				

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	June 30, 2022			June 30, 2022			June 30, 2022			June 30, 2022		
	MSAP-I			MSAP-II			MSAP-III			MSAP-IV		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year	1,086,918	(413,254)	673,664	753,015	(300,812)	452,203	869,206	(368,421)	500,785	660,829	(448,160)	212,669
Issuance of units:												
MSAP - I: nil units / MSAP - II: nil units	-	-	-	-	-	-	-	-	-	-	-	-
MSAP - III: nil units / MSAP - IV: nil units	-	-	-	-	-	-	-	-	-	-	-	-
MSAP - V: nil units / MCPP - III: 148,548 units	-	-	-	-	-	-	-	-	-	-	-	-
- Capital value (at net asset value per unit at the beginning of the year)	-	-	-	-	-	-	-	-	-	-	-	-
- Element of loss	-	-	-	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of units:												
MSAP - I: 5,666,188 units / MSAP - II: 2,323,206 units	265,251	-	265,251	107,943	-	107,943	269,333	-	269,333	100,068	-	100,068
MSAP - III: 5,947,818 units / MSAP - IV: 2,162,343 units	(3,538)	-	(3,538)	(715)	-	(715)	(974)	-	(974)	90	-	90
MSAP - V: 181,696 units / MCPP - III: 1,375,374 units	-	-	-	-	-	-	-	-	-	-	-	-
- Capital value (at net asset value per unit at the beginning of the year)	-	-	-	-	-	-	-	-	-	-	-	-
- Element of (income) / loss	-	-	-	-	-	-	-	-	-	-	-	-
Total payments on redemption of units	261,713	-	261,713	107,228	-	107,228	268,359	-	268,359	100,158	-	100,158
Total comprehensive income for the year	-	(29,079)	(29,079)	-	(23,455)	(23,455)	-	(18,120)	(18,120)	-	(7,543)	(7,543)
Distribution during the year	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the year less distribution	-	(29,079)	(29,079)	-	(23,455)	(23,455)	-	(18,120)	(18,120)	-	(7,543)	(7,543)
Net assets at the end of the year	825,205	(442,333)	382,872	645,787	(324,267)	321,520	600,847	(386,541)	214,306	560,671	(455,703)	104,968
(Accumulated loss) / undistributed income brought forward												
- Realised (loss) / income	(449,348)			(300,107)			(400,602)			(476,520)		
- Unrealised income / (loss)	36,094			(705)			32,181			28,360		
	(413,254)			(300,812)			(368,421)			(448,160)		
Accounting income available for distribution												
- Relating to capital gains	-			-			-			-		
- Excluding capital gains	-			-			-			-		
Net loss for the year after taxation	(29,079)			(23,455)			(18,120)			(7,543)		
Distribution during the year	-			-			-			-		
(Accumulated loss) / undistributed income carried forward	(442,333)			(324,267)			(386,541)			(455,703)		
(Accumulated loss) / undistributed income carried forward												
- Realised (loss) / income	(405,372)			(297,048)			(361,735)			(445,159)		
- Unrealised income / (loss)	(36,961)			(27,219)			(24,806)			(10,544)		
	(442,333)			(324,267)			(386,541)			(455,703)		
		(Rupees)		(Rupees)			(Rupees)			(Rupees)		
Net asset value per unit at the beginning of the year		46.8129		46.4631			45.2827			46.2775		
Net asset value per unit at the end of the year		43.8853		43.3940			41.9282			43.1405		

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	June 30, 2022			June 30, 2022			June 30, 2022		
	MSAP-V			MCPPIII			Total		
	Capital Value	Accumulated loss	Total	Capital Value	(Accumulated loss) / undistributed income	Total	Capital Value	Accumulated loss	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year	124,933	(62,060)	62,873	224,720	40,050	264,770	3,719,621	(1,552,657)	2,166,964
Issuance of units:									
MSAP - I: nil units / MSAP - II: nil units	-	-	-	8,062	-	8,062	8,062	-	8,062
MSAP - III: nil units / MSAP - IV: nil units	-	-	-	(75)	-	(75)	(75)	-	(75)
MSAP - V: nil units / MCPPIII - III: 148,548 units	-	-	-	-	-	-	-	-	-
- Capital value (at net asset value per unit at the beginning of the year)	-	-	-	7,987	-	7,987	7,987	-	7,987
- Element of loss	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	7,987	-	7,987	7,987	-	7,987
Redemption of units:									
MSAP - I: 5,666,188 units / MSAP - II: 2,323,206 units	9,826	-	9,826	75,330	-	75,330	827,751	-	827,751
MSAP - III: 5,947,818 units / MSAP - IV: 2,162,343 units	(80)	-	(80)	(79)	1,751	1,672	(5,296)	1,751	(3,545)
MSAP - V: 181,696 units / MCPPIII - III: 1,375,374 units	-	-	-	-	-	-	-	-	-
- Capital value (at net asset value per unit at the beginning of the year)	9,746	-	9,746	75,251	1,751	77,002	822,455	1,751	824,206
- Element of (income) / loss	-	-	-	-	-	-	-	-	-
Total payments on redemption of units	9,746	-	9,746	75,251	1,751	77,002	822,455	1,751	824,206
Total comprehensive income for the year	-	(4,070)	(4,070)	-	11,453	11,453	-	(70,814)	(70,814)
Distribution during the year	-	-	-	-	(11,241)	(11,241)	-	(11,241)	(11,241)
Net income for the year less distribution	-	(4,070)	(4,070)	-	212	212	-	(82,055)	(82,055)
Net assets at the end of the year	115,187	(66,130)	49,057	157,456	38,511	195,967	2,905,153	(1,636,463)	1,268,690
(Accumulated loss) / undistributed income brought forward									
- Realised (loss) / income		(73,107)			38,639			(1,661,045)	
- Unrealised income / (loss)		11,047			1,411			108,388	
		(62,060)			40,050			(1,552,657)	
Accounting income available for distribution									
- Relating to capital gains		-			-			-	
- Excluding capital gains		-			9,702			9,702	
		-			9,702			9,702	
Net loss for the year after taxation		(4,070)						(82,267)	
Distribution during the year		-			(11,241)			(11,241)	
(Accumulated loss) / undistributed income carried forward		(66,130)			38,511			(1,554,196)	
(Accumulated loss) / undistributed income carried forward									
- Realised (loss) / income		(61,069)			40,539			(1,529,844)	
- Unrealised income / (loss)		(5,061)			(2,028)			(106,619)	
		(66,130)			38,511			(1,636,463)	
				Rupees		Rupees			
Net asset value per unit at the beginning of the year				54.0799		54.7709			
Net asset value per unit at the end of the year				50.0124		54.3250			

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

For the year ended June 30, 2023							
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPP-III	Total
Note -----(Rupees in '000)-----							
CASH FLOWS FROM OPERATING ACTIVITIES							
Net income for the year before taxation	3,418	2,775	5,003	2,340	1,050	19,855	34,441
Adjustments for:							
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial asset at fair value through profit or loss'	6.1 414	(206)	476	109	127	430	1,350
	3,832	2,569	5,479	2,449	1,177	20,285	35,791
Decrease / (increase) in assets							
Investments - net	194,673	157,453	79,641	30,330	15,519	45,021	522,637
Receivable against investment	-	-	-	-	-	-	-
Profit receivable on savings account with banks	(1)	10	(8)	(12)	(8)	(13)	(32)
	194,672	157,463	79,633	30,318	15,511	45,008	522,605
(Decrease) / increase in liabilities							
Payable to Al Meezan Investment Management Limited - Management Company	(18)	(16)	(8)	1	(1)	1	(41)
Payable to Central Depository Company of Pakistan Limited - Trustee	(12)	(10)	(6)	(2)	(1)	(3)	(34)
Payable to the Securities and Exchange Commission of Pakistan	(62)	(40)	(35)	(13)	(3)	(11)	(164)
Payable against purchase of investments	(33)	(29)	(18)	(8)	(5)	(75)	(168)
Payable against redemption and conversion of units	74	-	-	498	-	-	572
Accrued expenses and other liabilities	669	268	831	419	151	1,128	3,466
	618	173	764	895	141	1,040	3,631
Net cash generated from operating activities	199,122	160,205	85,876	33,662	16,829	66,333	562,027
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts against issuance and conversion of units	4,351	2,214	4,094	1,764	809	14,106	27,338
Payments against redemption and conversion of units	(198,864)	(164,055)	(88,248)	(30,153)	(16,262)	(58,486)	(556,068)
Dividend paid	(3,258)	(2,506)	(4,363)	(2,062)	(955)	(17,885)	(31,029)
Net cash used in financing activities	(197,771)	(164,347)	(88,517)	(30,451)	(16,408)	(62,265)	(559,759)
Net increase / (decrease) in cash and cash equivalents during the year	1,351	(4,142)	(2,641)	3,211	421	4,068	2,268
Cash and cash equivalents at the beginning of the year	807	4,682	2,917	538	560	620	10,124
Cash and cash equivalents at the end of the year	2,158	540	276	3,749	981	4,688	12,392

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

For the year ended June 30, 2022								
Note	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total	
(Rupees in '000)								
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the year before taxation	(29,079)	(23,455)	(18,120)	(7,543)	(4,070)	11,453	(70,814)	
Adjustments for:								
Net unrealised diminution on re-measurement of investments classified as 'financial asset at fair value through profit or loss'	6.1	36,961	27,219	24,806	10,544	5,061	2,028	106,619
		7,882	3,764	6,686	3,001	991	13,481	35,805
Decrease / (increase) in assets								
Investments - net	263,790	110,841	268,982	101,647	9,678	64,953	819,891	
Profit receivable on savings account with banks	3	(24)	(8)	(3)	-	(3)	(35)	
	263,793	110,817	268,974	101,644	9,678	64,950	819,856	
(Decrease) / increase in liabilities								
Payable to Al Meezan Investment Management Limited - Management Company	(35)	(12)	(26)	(9)	(3)	(7)	(92)	
Payable to Central Depository Company of Pakistan Limited - Trustee	(24)	(10)	(19)	(8)	(1)	(4)	(66)	
Payable to the Securities and Exchange Commission of Pakistan	(58)	(13)	(42)	(40)	(10)	(25)	(188)	
Payable against purchase of investments	33	29	18	8	(705)	75	(542)	
Accrued expenses and other liabilities	(10,207)	(2,866)	(4,366)	(3,956)	(1,033)	(128)	(22,556)	
	(10,291)	(2,872)	(4,435)	(4,005)	(1,752)	(89)	(23,444)	
Net cash generated from operating activities	261,384	111,709	271,225	100,640	8,917	78,342	832,217	
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts against issuance and conversion of units	-	-	-	-	-	7,987	7,987	
Payments against redemption and conversion of units	(261,713)	(107,228)	(268,359)	(100,158)	(9,746)	(77,002)	(824,206)	
Dividend paid	-	-	-	-	-	(9,566)	(9,566)	
Net cash used in financing activities	(261,713)	(107,228)	(268,359)	(100,158)	(9,746)	(78,581)	(825,785)	
Net (decrease) / increase in cash and cash equivalents during the year								
	(329)	4,481	2,866	482	(829)	(239)	6,432	
Cash and cash equivalents at beginning of the year	1,136	201	51	56	1,389	859	3,692	
Cash and cash equivalents at end of the year	5	807	4,682	2,917	538	620	10,124	

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Strategic Allocation Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on September 08, 2016 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (the NBFC Rules). The Fund is registered as a Notified entity under Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations). The Trust Deed was previously registered under The "Trust Act 1882" and now has been registered under "The Sindh Trust Act 2020". The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, the above-mentioned Trust Deed has been registered under the Sindh Trust Act. The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to enable the unitholders to participate in a diversified portfolio of Equity Schemes and Fixed Income / Money Market Schemes, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah compliant Fund of Funds Scheme. Units are offered for public subscription on a continuous basis till the end of the subscription period. The subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the SECP after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unitholders. However, subscription hasn't been re-opened during the current year. The units of the plan are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4** The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 30, 2022 (2022: 'AM1' dated December 27, 2021) and by PACRA dated June 23, 2023 (2022: 'AM1' dated June 23, 2022). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** The Fund is an open-end Shariah compliant Fund of Funds Scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Meezan Strategic Allocation Plan-I (MSAP-I), Meezan Strategic Allocation Plan-II (MSAPII), Meezan Strategic Allocation Plan-III (MSAP-III), Meezan Strategic Allocation Plan-IV (MSAP-IV), Meezan Strategic Allocation Plan-V (MSAP-V) and Meezan Capital Preservation Plan-III (MCPPIII) by investing in Shariah compliant fixed income / money market and equity mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans.

Meezan Strategic Allocation Plan-I (MSAP-I)	<p>Medium to high risk - High return through asset allocation</p> <p>The allocation plan commenced its operations from October 19, 2016 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. Units are subject to front end load. An early exit fee has also been charged in case of redemption before the completion of the initial maturity of the plan. The initial maturity of this plan was two years from the close of the subscription period (i.e. December 2, 2016). However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide letter no SCD/AMCW/MSAP-1/23/2022 dated November 21, 2022, the Management Company has decided to extend the duration of the Plan for indefinite period upon completion of initial maturity period i.e. December 2, 2022.</p>
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Meezan Strategic Allocation Plan-II (MSAP-II)	<p>Medium to high risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from December 22, 2016 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. Units are subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan. The initial maturity of this plan was two years from the close of the subscription period (i.e. January 31, 2017). However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide letter no. SCD/AMCW/MSAF/224/2022 dated January 19, 2022, the Management Company has decided to extend the duration of the Plan for indefinite period upon completion of initial maturity period i.e. January 01, 2022.</p>
Meezan Strategic Allocation Plan-III (MSAP-III)	<p>Medium to high risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from February 20, 2017 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 95 percent. The initial maturity of this plan was two years from the close of the subscription period (i.e. April 3, 2017). Units are subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan. However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide letter no. SCD/AMCW/MSAF/281/2022 dated March 18, 2022, the Management Company has decided to extend the duration of the Plan for indefinite period upon completion of initial maturity period i.e. April 03, 2022.</p>
Meezan Strategic Allocation Plan-IV (MSAP-IV)	<p>Medium to high risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from April 24, 2017 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 95 percent. The initial maturity of this plan was two years from the close of the subscription period (i.e. June 30, 2017). Units are subject to front end load. An early exit fee has also been charged in case of redemption before the completion of the initial maturity of the plan. However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide letter no. SCD/AMCW/MSAF/339/2022 dated May 14, 2022, the duration of the plan shall be for an indefinite period upon completion of initial maturity period i.e. June 30, 2022.</p>
Meezan Strategic Allocation Plan-V (MSAP-V)	<p>Medium to high risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from August 15, 2017 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 95 percent. Units are subject to front end load. An early exit fee shall also be charged in case of redemption before the completion of the initial maturity of the plan. The initial maturity of this plan was two years from the close of the subscription period (i.e. October 19, 2017). However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide letter no. SCD/AMCW/MSAP/82/2022 dated September 27, 2022, the Management Company has decided to extend the duration of the Plan for indefinite period upon completion of initial maturity period i.e. October 19, 2022.</p>
Meezan Capital Preservation Plan-III (MCP-III)	<p>Medium risk - High return through asset allocation</p> <p>This allocation plan commenced its operations from December 19, 2017 and can invest its portfolio between the Equity asset classes / schemes and Fixed Income or Money Market asset classes / schemes based on the macroeconomic view and outlook of such asset classes up to 50 percent in equity schemes and up to 100 percent in money market schemes. Units are subject to front end load. An early exit fee has also been charged in case of redemption before the completion of the initial maturity of the plan. The initial maturity of this plan was two years from the close of the subscription period (i.e. February 16, 2018). However, the SECP has approved multiple extensions and in accordance with the last such extension granted vide letter no. SCD/AMCW/MSAF/210/2023 dated January 31, 2023, the plan shall mature on February 16, 2024 upon completion of initial maturity period i.e. February 16, 2023</p>

Each allocation plan announces separate Net Asset Values which ranks Pari Passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.

2 BASIS OF PRESENTATION

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

3 BASIS OF PREPARATION

3.1 Statement of compliance

These 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 VIII A of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of 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.

3.2 Initial application of standards, amendments and improvements to the approved accounting and reporting standards

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

Amendments and improvements to the approved accounting and reporting standards that became effective during the year

The Fund has adopted the following amendments and improvements to the approved accounting and reporting standards which became effective for the current year:

Amendments to approved accounting standards

IFRS 3	Reference to the Conceptual Framework (Amendments)
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)

Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)

IFRS 9	Fees in the '10 percent' test for the derecognition of financial liabilities
IFRS 16	Leases: Lease incentives
IAS 41	Agriculture - Taxation in fair value measurement

The adoption of the above amendments and improvements to the approved accounting and reporting standards did not have any material effect on these financial statements.

3.3 Standards and amendments to the approved accounting standards that are not yet effective

The following standards, amendments of IFRSs and improvements to accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards, amendments or improvements:

Amendments	Effective date (annual periods beginning on or after)
IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 January 01, 2023
IAS 8	Definition of Accounting Estimates - Amendments to IAS 8 January 01, 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising - from a Single Transaction - Amendments to IAS 12 January 01, 2023
IAS 1	Classification of Liabilities as Current or Non-Current and - Non-Current Liabilities with Covenants - Amendments to IAS 1 January 01, 2024
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its - Associate or Joint Venture - Amendments to IFRS 10 and IAS 28 Not yet finalised

Further, following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan:



**IASB Effective date
(annual periods
beginning on or after)**

Standards

IFRS 1	First time adoption of IFRS	January 01, 2004
IFRS 17	Insurance Contracts	January 01, 2023

The Company expects that above standards, amendments and improvements to approved accounting standards will not have any material impact on the fund's financial statements in the period of initial application.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 4.2 and 6).

3.4 Critical accounting estimates and judgments

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

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets.

3.5 Accounting convention

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

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 Rupees, which is the Fund's functional and presentation currency.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

4.1 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.

4.2 Financial instruments

4.2.1 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 Income Statement.

4.2.2 Classification and subsequent measurement

4.2.2.1 Debt instruments

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

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

The investments of the Fund includes investment in units of mutual funds which are categorised as puttable instruments and are mandatorily required to be classified as 'financial assets at fair value through profit or loss'.

4.2.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

a) 'Financial assets at fair value through profit or loss'

Basis of valuation in the collective investment scheme

The investments of the Fund in the collective investment scheme are valued on the basis of daily net asset value (NAV) announced by the management company.

The fair value of financial instruments i.e. investment in units of mutual funds is based on their net asset value at the reporting date without any deduction for estimated future selling costs.

Net gains and losses arising from changes in the fair value of financial assets carried 'at fair value through profit or loss' are taken to the Income Statement.

4.2.4 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.

4.2.5 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.

4.2.6 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 arising on derecognition of financial assets is taken to the Income Statement.

4.3 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 value 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 arising on derecognition of financial liabilities is taken to the Income Statement.

4.4 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.

4.5 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.

4.6 Net asset value per unit

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

4.7 Unit holders' fund

Unit holders' fund of each allocation plan representing the units issued by each respective allocation plan separately, is carried at the redemption amount representing the investors' right to a residual interest in the respective allocation plan's net assets.

4.8 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of any duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company / distributors receive redemption applications during business hours on that date. The redemption price represents the NAV as on the close of the business day, less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.9 Distribution to unit holders

Distribution to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year 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.

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

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

4.11 Revenue recognition

- Gains / (losses) arising on sale of investments are included in Income Statement and are recognised on the date when the transaction takes place;
- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise;
- Dividend income is recognised when the Fund's right to receive the same is established, i.e. on the commencement of book closure of the investee fund declaring the dividend; and
- Profit on savings account with banks is recognised on time proportion basis using the effective yield method.

4.12 Expenses

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

4.13 Taxation

Current

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

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

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

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

4.14 Earnings / (loss) per unit

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

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

4.15 Foreign currency translation

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

5 BALANCES WITH BANKS

		June 30, 2023						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
Note		(Rupees in '000)						
Savings accounts	5.1	2,158	540	276	3,749	981	4,688	12,392

		June 30, 2022						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
Note		(Rupees in '000)						
Savings accounts	5.1	807	4,682	2,917	538	560	620	10,124
		807	4,682	2,917	538	560	620	10,124

5.1 These include balance maintained with Meezan Bank Limited (a related party) that has last declared profit rate of 10% (June 30, 2022: 6.01%) per annum. Other profit and loss sharing accounts of the Fund have an expected profit ranging from 7.14% to 19.75% per annum (June 30, 2022: 3.41% to 5.26%) per annum.

6 INVESTMENTS

		June 30, 2023						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
Note		(Rupees in '000)						
At fair value through profit or loss								
Units of open ended mutual funds	6.1	187,339	159,861	131,495	74,088	32,889	153,294	738,966

		June 30, 2022						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
Note		(Rupees in '000)						
At fair value through profit or loss								
Units of open ended mutual funds	6.1	382,426	317,108	211,612	104,527	48,535	198,745	1,262,953

6.1 Units of open ended mutual funds

Name of the investee funds	As at July 1, 2022	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Unrealised diminution as at June 30, 2023	Percentage in relation to	
								Net assets of the Plan	Total market value of investments
	(Number of units)				(Rupees in '000)			%	
Meezan Strategic Allocation Plan - I									
Al Meezan Mutual Fund	7,821,801	-	7,160,002	661,799	10,404	10,377	(27)	6.00	5.54
Meezan Dedicated Equity Fund	3,203,303	-	1,049,872	2,153,431	86,603	86,371	(232)	46.00	46.10
Meezan Islamic Fund	840,905	-	731,083	109,822	6,175	6,020	(155)	3.00	3.21
Meezan Daily Income Fund	1,667,032	1,149,681	1,125,300	1,691,413	84,571	84,571	-	45.00	45.14
Total as at June 30, 2023					187,753	187,339	(414)	100.00	99.99
Total as at June 30, 2022					336,035	299,074	(36,961)		
Meezan Strategic Allocation Plan - II									
Al Meezan Mutual Fund	3,453,209	1,256,795	3,110,005	1,599,999	25,236	25,089	(147)	16.00	15.69
KSE Meezan Index Fund	382,268	334,172	382,342	334,098	21,447	22,090	643	14.00	13.82
Meezan Dedicated Equity Fund	918,504	-	133,987	784,517	31,550	31,466	(84)	21.00	19.68
Meezan Islamic Fund	2,283,024	87,437	2,227,231	143,230	8,057	7,851	(206)	5.00	4.91
Meezan Daily Income Fund	1,452,522	1,101,295	1,086,511	1,467,306	73,365	73,365	-	46.00	45.89
Total as at June 30, 2023					159,655	159,861	206	102.00	99.99
Total as at June 30, 2022					344,327	317,108	(27,219)		

Name of the investee funds	As at July 1, 2022	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Unrealised diminution as at June 30, 2023	Percentage in relation to	
								Net assets of the Plan	Total market value of investments
				(Number of units)			(Rupees in '000)		
								%	
Meezan Strategic Allocation Plan - III									
Al Meezan Mutual Fund	2,682,179	-	1,768,991	913,188	14,356	14,319	(37)	11.00	10.89
KSE Meezan Index Fund	106,250	-	106,250	-	-	-	-	-	-
Meezan Dedicated Equity Fund	2,439,439	-	1,278,544	1,160,895	46,687	46,561	(126)	36.00	35.41
Meezan Islamic Fund	324,450	122,059	249,072	197,437	11,136	10,823	(313)	8.00	8.23
Meezan Daily Income Fund	923,648	962,181	690,000	1,195,829	59,791	59,791	-	46.00	45.47
Total as at June 30, 2022					131,970	131,494	(476)	101.00	100.00
Total as at June 30, 2022					236,418	211,612	(24,806)		
Meezan Strategic Allocation Plan - IV									
Al Meezan Mutual Fund	518,355	-	26,058	492,297	7,739	7,719	(20)	10.00	10.42
KSE Meezan Index Fund	13,634	-	13,634	-	-	-	-	-	-
Meezan Dedicated Equity Fund	1,864,866	27,350	1,063,856	828,360	33,314	33,225	(89)	43.00	44.84
Meezan Islamic Fund	-	15,663	15,663	-	-	-	-	-	-
Meezan Daily Income Fund	409,853	597,628	344,600	662,881	33,144	33,144	-	43.00	44.74
Total as at June 30, 2023					74,197	74,088	(109)	96.00	100.00
Total as at June 30, 2022					115,071	104,527	(10,544)		
Meezan Strategic Allocation Plan - V									
Al Meezan Mutual Fund	1,273,911	-	734,137	539,774	8,486	8,464	(22)	25.00	25.74
KSE Meezan Index Fund	28,295	-	28,295	-	-	-	-	-	-
Meezan Dedicated Equity Fund	368,712	-	204,970	163,742	6,585	6,567	(18)	20.00	19.96
Meezan Islamic Fund	14,423	32,505	-	46,928	2,659	2,572	(87)	8.00	7.82
Meezan Daily Income Fund	220,550	254,168	169,000	305,718	15,286	15,286	-	45.00	46.48
Total as at June 30, 2023					33,016	32,889	(127)	98.00	100.00
Total as at June 30, 2022					53,596	48,535	(5,061)		
Meezan Capital Preservation Plan - MCPP - III									
Meezan Dedicated Equity Fund	585,643	584,040	380,747	788,936	32,073	31,643	(430)	20.00	20.64
Meezan Rozana Amdani Fund	3,503,860	2,843,601	3,914,435	2,433,026	121,651	121,651	-	78.00	79.36
Meezan Sovereign Fund	-	2,347,330	2,347,330	-	-	-	-	-	-
Total as at June 30, 2023					153,724	153,294	(430)	98.00	100.00
Total as at June 30, 2022					200,773	198,745	(2,028)		
Total investments in units of mutual funds									
Al Meezan Mutual Fund	15,749,455	1,256,795	12,799,193	4,207,057	66,221	65,968	(253)	68.00	68.28
KSE Meezan Index Fund	530,447	334,172	530,521	334,098	21,447	22,090	643	14.00	13.82
Meezan Dedicated Equity Fund	9,380,467	611,390	4,111,977	5,879,880	236,812	235,833	(979)	186.00	186.63
Meezan Islamic Fund	3,462,802	257,664	3,223,049	497,417	28,027	27,266	(761)	24.00	24.17
Meezan Daily Income Fund	4,673,605	4,064,952	3,415,411	5,323,146	266,157	266,157	-	225.00	227.72
Meezan Rozana Amdani Fund	3,503,860	2,843,601	3,914,435	2,433,026	121,651	121,651	-	78.00	79.36
Meezan Sovereign Fund	-	2,347,330	2,347,330	-	-	-	-	-	-
Total as at June 30, 2023					740,315	738,965	(1,350)	595.00	599.98
Total as at June 30, 2022					2,081,075	2,189,463	108,388		

7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

		June 30, 2023						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
Note		(Rupees in '000)						
Remuneration payable	7.1	1	-	-	4	-	5	10
Sindh Sales Tax payable on remuneration of the Management Company	7.2	-	-	-	-	-	1	1
Allocated expenses payable	7.3	15	14	12	7	3	13	64
		16	14	12	11	3	19	75
		June 30, 2022						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
		(Rupees in '000)						
Remuneration payable	7.1	-	1	-	-	-	-	1
Sindh Sales Tax payable on remuneration of the Management Company	7.2	-	-	-	-	-	-	-
Allocated expenses payable	7.3	34	29	20	10	4	18	115
		34	30	20	10	4	18	116

- 7.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2022: 1%) per annum of the daily bank balances of the Fund during the year ended June 30, 2023. The remuneration is payable to the Management Company monthly in arrears.
- 7.2 During the year, an amount of Rs 0.012 million (2022: Rs 0.008 million) was charged on account of sales tax on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs 0.011 million (2022: Rs 0.008 million) has been paid to the Management Company which acts as a collecting agent.
- 7.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses for registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged such expenses at the following rates of the respective plans of the Fund during the year ended June 30, 2023, subject to total expense charged being lower than actual expense incurred.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY

		June 30, 2023						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
Note		(Rupees in '000)						
Remuneration payable	8.1	12	10	6	4	2	9	43
Sindh Sales Tax payable on remuneration of the Trustee	8.2	1	1	2	1	-	1	6
		<u>13</u>	<u>11</u>	<u>8</u>	<u>5</u>	<u>2</u>	<u>10</u>	<u>49</u>

		June 30, 2022						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
		(Rupees in '000)						
Remuneration payable	8.1	22	19	12	6	3	11	73
Sindh Sales Tax payable on remuneration of the Trustee	8.2	3	2	2	1	-	2	10
		<u>25</u>	<u>21</u>	<u>14</u>	<u>7</u>	<u>3</u>	<u>13</u>	<u>83</u>

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.070% (2022: 0.070%) of the average annual net assets of the Fund.
- 8.2 During the year, an amount of Rs 0.081 million (2022: Rs 0.157 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs 0.085 million (2022: Rs 0.165 million) was paid to the Trustee which acts as a collecting agent.

9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

- 9.1 In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% (2022: 0.02%) of the average annual net assets of the Fund.

10 ACCRUED EXPENSES AND OTHER LIABILITIES

		June 30, 2023						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
Note		(Rupees in '000)						
Auditors' remuneration payable		102	85	78	39	17	79	400
Shariah advisor fee payable		33	28	27	13	6	27	134
Zakat payable		-	-	-	5	-	-	5
Withholding tax payable		697	292	824	406	146	2,543	4,908
Capital gain tax payable		-	-	10	2	-	55	67
		<u>832</u>	<u>405</u>	<u>939</u>	<u>465</u>	<u>169</u>	<u>2,704</u>	<u>5,514</u>

		June 30, 2022						
		MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
		(Rupees in '000)						
Auditors' remuneration payable		122	90	79	34	13	52	390
Shariah advisor fee payable		41	33	24	11	5	20	134
Zakat payable		-	14	5	1	-	-	20
Printing charges payable		-	-	-	-	-	1,504	1,504
Capital gain tax payable		-	-	-	-	-	-	-
		<u>163</u>	<u>137</u>	<u>108</u>	<u>46</u>	<u>18</u>	<u>1,576</u>	<u>2,048</u>

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2023 and June 30, 2022.

12 AUDITORS' REMUNERATION

June 30, 2023						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
(Rupees in '000)						
Annual audit fee	113	91	87	43	19	436
Fee for half yearly review of condensed interim financial statements	45	36	34	16	7	170
Out of pocket expenses	10	7	7	3	1	33
	168	134	128	62	27	639

June 30, 2022						
MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
(Rupees in '000)						
Annual audit fee	136	113	98	29	11	442
Fee for half yearly review of condensed interim financial statements	52	35	36	14	5	162
Out of pocket expenses	3	2	2	1	0	9
	191	150	136	44	16	613

13 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2023 and June 30, 2022 is as follows:

June 30, 2023						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII
Total Expense Ratio (TER)	0.34%	0.37%	0.33%	0.36%	0.40%	0.37%
Government levies (included in TER)	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%

June 30, 2022						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII
Total Expense Ratio (TER)	0.28%	0.30%	0.29%	0.28%	0.28%	0.27%
Government levies (included in TER)	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%

The above ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a 'Fund of Funds' Scheme.

14 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 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 year ended June 30, 2023 to the unitholders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

15 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:



June 30, 2023							
Balances	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
AI Meezan Investment Management Limited - Management Company							
Remuneration payable (Rs in '000)	1	-	-	4	-	5	10
Sindh Sales Tax payable on remuneration of the Management Company (Rs in '000)	-	-	-	-	-	1	1
Allocated expenses payable (Rs in '000)	15	14	12	7	3	13	64
Meezan Bank Limited							
Balances with bank (Rs in '000)	2,082	540	276	3,749	981	4,676	12,304
Profit receivable on savings account (Rs in '000)	3	15	16	16	11	18	79
Shariah advisor fee payable (Rs in '000)	33	28	27	13	6	27	134
Central Depository Company of Pakistan Limited - Trustee							
Remuneration payable (Rs in '000)	12	10	6	4	2	9	43
Sindh Sales Tax payable on remuneration of the Trustee (Rs in '000)	1	1	2	1	-	1	6
Directors and Executives of the Management Company							
Investment (Rs in '000)	-	-	15,914	-	-	-	15,914
Investment (Units)	-	-	380,740	-	-	-	380,740
AI Meezan Mutual Fund							
Investment (Rs in '000)	10,377	25,089	14,319	7,719	8,464	-	65,968
Investment (Units)	661,799	1,599,999	913,188	492,297	539,774	-	4,207,057
KSE Meezan Index Fund							
Investment (Rs in '000)	86,371	22,090	-	-	-	-	108,461
Investment (Units)	2,153,431	334,098	-	-	-	-	2,487,529
Meezan Dedicated Equity Fund							
Investment (Rs in '000)	6,020	31,466	46,561	33,225	6,567	31,643	155,482
Investment (Units)	109,822	784,517	1,160,895	828,360	163,742	788,936	3,836,272

June 30, 2023							
Balances	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
Meezan Islamic Fund							
Investment (Rs in '000)	84,571	7,851	10,823	-	2,572	-	105,817
Investment (Units)	1,691,413	143,230	197,437	-	46,928	-	2,079,008
Meezan Daily Income Fund							
Investment (Rs in '000)	84,571	73,365	59,791	33,144	15,286	-	266,157
Investment (Units)	1,691,413	1,467,306	1,195,829	662,881	305,718	-	5,323,147
Meezan Rozana Amdani Fund							
Investment (Rs in '000)	-	-	-	-	-	121,651	121,651
Investment (Units)	-	-	-	-	-	2,433,026	2,433,026
Unitholders holding 10% or more units of the Fund							
Investment (Rs in '000)	53,854	98,012	36,670	29,342	21,839	26,291	266,008
Investment (Units)	1,209,241	2,220,718	877,328	681,137	437,757	483,091	5,909,272

June 30, 2022							
Balances	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCCP-III	Total
AI Meezan Investment Management Limited - Management Company							
Remuneration payable (Rs in '000)	-	1	-	-	-	-	1
Sindh Sales Tax payable on remuneration of the Management Company (Rs in '000)	-	-	-	-	-	-	-
Allocated expenses payable (Rs in '000)	34	29	20	10	4	18	115



	June 30, 2022						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	Total
Meezan Bank Limited							
Balances with bank (Rs in '000)	735	4,682	2,917	538	560	608	10,040
Profit receivable on savings account (Rs in '000)	2	25	8	4	3	5	47
Shariah advisor fee payable (Rs in '000)	41	33	24	11	5	20	134
Central Depository Company of Pakistan Limited - Trustee							
Remuneration payable (Rs in '000)	22	19	12	6	3	11	73
Sindh Sales Tax payable on remuneration of the Trustee (Rs. in '000)	3	2	2	1	-	2	10
Directors and Executives of the Management Company							
Investment (Rs in '000)	-	-	15,491	-	-	-	15,491
Investment (Units)	-	-	369,471	-	-	-	369,471
AI Meezan Mutual Fund							
Investment (Rs in '000)	122,965	54,287	42,166	8,149	20,027	-	247,594
Investment (Units)	7,821,801	3,453,209	2,682,179	518,355	1,273,911	-	15,749,455
KSE Meezan Index Fund							
Investment (Rs in '000)	-	24,878	6,915	887	1,842	-	34,522
Investment (Units)	-	382,268	106,249	13,635	28,294	-	530,446
Meezan Dedicated Equity Fund							
Investment (Rs in '000)	128,824	36,939	98,105	74,998	14,828	23,552	377,246
Investment (Units)	3,203,303	918,504	2,439,439	1,864,866	368,712	585,643	9,380,467
Meezan Islamic Fund							
Investment (Rs in '000)	47,285	128,378	18,244	-	811	-	194,718
Investment (Units)	840,905	2,283,024	324,450	-	14,423	-	3,462,802
Meezan Daily Income Fund							
Investment (Rs in '000)	83,352	72,626	46,182	20,493	11,027	-	233,680
Investment (Units)	1,667,032	1,452,522	923,648	409,853	220,550	-	4,673,605
Meezan Rozana Amdani Fund							
Investment (Rs in '000)	-	-	-	-	-	175,193	175,193
Investment (Units)	-	-	-	-	-	3,503,860	3,503,860
Unitholders holding 10% or more units of the Fund							
Investment (Rs in '000)	120,794	168,235	-	10,765	21,344	23,860	344,998
Investment (Units)	2,752,499	3,876,917	-	249,543	426,776	439,207	7,744,943

	For the year ended June 30, 2023						
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	M CPP-III	Total
Transactions during the year							
AI Meezan Investment Management Limited - Management Company							
Remuneration of the Management Company (Rs in '000)	21	31	12	16	9	11	100
Sindh Sales Tax on remuneration of the Management Company (Rs in '000)	3	4	1	2	1	1	12
Allocated expenses (Rs in '000)	255	207	196	95	41	193	987
Meezan Bank Limited							
Profit on savings accounts (Rs in '000)	172	242	86	104	65	81	750
Shariah advisor fee (Rs in '000)	69	56	54	26	11	53	269
Central Depository Company of Pakistan Limited - Trustee							
Remuneration of the Trustee (Rs in '000)	162	132	125	61	27	124	631
Sindh Sales Tax on remuneration of the Trustee (Rs in '000)	21	17	16	8	3	16	81
AI Meezan Mutual Fund							
Invested during the year (Rs in '000)	-	19,996	-	-	-	-	19,996
Invested during the year (Units)	-	1,256,795	-	-	-	-	1,256,795
Redeemed during the year (Rs in '000)	110,525	48,870	27,660	400	11,521	-	198,976
Redeemed during the year (Units)	7,160,002	3,110,005	1,768,991	26,058	734,137	-	12,799,193

For the year ended June 30, 2023							
Transactions during the year	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
KSE Meezan Index Fund							
Invested during the year (Rs in '000)	-	21,452	-	-	-	-	21,452
Invested during the year (Units)	-	334,172	-	-	-	-	334,172
Redeemed during the year (Rs in '000)	-	24,978	6,941	891	1,849	-	34,659
Redeemed during the year (Units)	-	382,342	106,250	13,634	28,295	-	530,521
Meezan Dedicated Equity Fund							
Invested during the year (Rs in '000)	-	-	-	1,100	-	24,000	25,100
Invested during the year (Units)	-	-	-	27,350	-	584,040	611,390
Redeemed during the year (Rs in '000)	41,301	5,230	50,970	42,759	8,330	15,351	163,941
Redeemed during the year (Units)	1,049,872	133,987	1,278,544	1,063,856	204,970	380,747	4,111,976
Meezan Islamic Fund							
Invested during the year (Rs in '000)	-	4,972	6,940	891	1,848	-	14,651
Invested during the year (Units)	-	87,437	122,059	15,663	32,505	-	257,664
Redeemed during the year (Rs in '000)	40,021	121,503	14,001	866	-	-	176,391
Redeemed during the year (Units)	731,083	2,227,231	249,072	15,663	-	-	3,223,049
Meezan Daily Income Fund							
Invested during the year (Rs in '000)	57,484	55,065	48,109	29,811	12,708	-	203,177
Invested during the year (Units)	1,149,681	1,101,295	962,181	597,628	254,168	-	4,064,953
Redeemed during the year (Rs in '000)	56,265	54,326	34,500	17,230	8,450	-	170,771
Redeemed during the year (Units)	1,125,300	1,086,511	690,000	344,600	169,000	-	3,415,411
Dividend received during the year (Rs. In '000)	8,484	7,064	6,610	2,715	1,189	-	26,062
Meezan Rozana Amdani Fund							
Invested during the year (Rs in '000)	-	-	-	-	-	142,180	142,180
Invested during the year (Units)	-	-	-	-	-	2,843,601	2,843,601
Redeemed during the year (Rs in '000)	-	-	-	-	-	195,722	195,722
Redeemed during the year (Units)	-	-	-	-	-	3,914,435	3,914,435
Dividend received during the year (Rs. In '000)	-	-	-	-	-	20,528	20,528
Meezan Sovereign Fund							
Invested during the year (Rs in '000)	-	-	-	-	-	121,652	121,652
Invested during the year (Units)	-	-	-	-	-	2,347,330	2,347,330
Redeemed during the year (Rs in '000)	-	-	-	-	-	122,153	122,153
Redeemed during the year (Units)	-	-	-	-	-	2,347,330	2,347,330
Unitholders holding 10% or more units of the Fund							
Invested during the year (Rs in '000)	954	1,575	1,277	863	619	2,811	8,099
Invested during the year (Units)	16,486	33,086	25,967	17,224	10,981	43,884	147,630
For the year ended June 30, 2022							
	MSAP-I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
AI Meezan Investment Management Limited - Management Company							
Remuneration of the Management Company (Rs in '000)	13	8	15	6	6	8	56
Sindh Sales Tax on remuneration of the Management Company (Rs in '000)	2	1	2	1	1	1	8
Allocated expenses (Rs in '000)	595	431	392	167	63	252	1,900
Meezan Bank Limited							
Profit on savings accounts (Rs in '000)	69	56	69	31	21	29	275
Shariah advisor fee (Rs in '000)	90	59	58	23	9	34	273
Central Depository Company of Pakistan Limited - Trustee							
Remuneration of the Trustee (Rs in '000)	379	274	250	106	40	161	1,210
Sindh Sales Tax on remuneration of the Trustee (Rs in '000)	49	36	32	14	5	21	157
AI Meezan Mutual Fund							
Invested during the year (Rs in '000)	20,000	11,000	11,000	-	20,000	-	62,000
Invested during the year (Units)	1,247,372	611,134	611,134	-	1,143,543	-	3,613,183
Redeemed during the year (Rs in '000)	48,500	165,000	11,000	39,680	-	-	264,180
Redeemed during the year (Units)	2,956,484	9,144,900	630,416	2,255,797	-	-	14,987,597

For the year ended June 30, 2022						
MSAP -I	MSAP-II	MSAP-III	MSAP-IV	MSAP-V	MCPPIII	Total
KSE Meezan Index Fund						
Invested during the year (Rs in '000)	-	34,937	6,995	-	-	41,932
Invested during the year (Units)	-	518,935	95,676	-	-	614,611
Redeemed during the year (Rs in '000)	5,048	21,571	11,012	-	-	37,631
Redeemed during the year (Units)	70,737	296,432	148,464	-	-	515,633
Meezan Dedicated Equity Fund						
Invested during the year (Rs in '000)	30,000	28,000	-	19,902	-	44,000
Invested during the year (Units)	722,961	678,855	-	489,045	-	1,023,559
Redeemed during the year (Rs in '000)	39,000	7,100	38,500	43,410	23,880	64,350
Redeemed during the year (Units)	916,609	156,516	856,113	995,821	529,365	1,504,231
4,958,655						
Meezan Islamic Fund						
Invested during the year (Rs in '000)	33,048	174,546	14,000	23,000	1,500	246,094
Invested during the year (Units)	523,279	2,703,369	222,191	395,055	23,826	3,867,720
Redeemed during the year (Rs in '000)	147,350	118,330	151,550	24,202	2,170	443,602
Redeemed during the year (Units)	2,412,967	1,999,920	2,439,213	417,563	35,688	7,305,351
Meezan Daily Income Fund						
Invested during the year (Rs in '000)	397,995	267,329	254,852	108,039	35,359	1,063,574
Invested during the year (Units)	7,959,908	5,344,788	5,097,037	2,160,772	707,173	21,269,678
Redeemed during the year (Rs in '000)	314,644	194,613	208,669	87,546	24,331	829,803
Redeemed during the year (Units)	6,292,876	3,892,266	4,173,389	1,750,919	486,623	16,596,073
Dividend received during the year (Rs. In '000)	7,770	5,564	4,814	1,934	791	20,873
Meezan Islamic Income Fund						
Invested during the year (Rs in '000)	240,143	154,744	142,388	58,512	19,830	615,617
Invested during the year (Units)	4,524,387	2,913,680	2,688,979	1,104,670	374,414	11,606,130
Redeemed during the year (Rs in '000)	241,279	155,719	143,037	58,803	19,928	618,766
Redeemed during the year (Units)	4,524,387	2,913,680	2,688,979	1,104,670	374,414	11,606,130
Meezan Rozana Amdani Fund						
Invested during the year (Rs in '000)	3,286	2,071	2,421	880	291	309,209
Invested during the year (Units)	65,727	41,413	48,418	17,598	5,816	6,005,207
Redeemed during the year (Rs in '000)	180,727	115,376	132,909	54,977	15,411	840,176
Redeemed during the year (Units)	3,614,532	2,307,530	2,658,182	1,099,545	308,215	6,815,529
Dividend received during the year (Rs. In '000)	3,286	2,071	2,421	880	288	22,338
Meezan Sovereign Fund						
Invested during the year (Rs in '000)	-	-	-	-	-	257,386
Invested during the year (Units)	-	-	-	-	-	4,798,410
Redeemed during the year (Rs in '000)	-	-	-	-	-	260,528
Redeemed during the year (Units)	-	-	-	-	-	4,798,410

16 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

Balances with banks	12,392	-	12,392
Investments	-	738,966	738,966
Profit receivable on savings account with banks	-	79	79
	12,392	739,045	751,437

2023		
At amortised cost	At fair value through profit or loss	Total
(Rupees in '000)		

2023		
At amortised cost	At fair value through profit or loss	Total
(Rupees in '000)		

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company	75	-	75
Payable to Central Depository Company of Pakistan Limited - Trustee	49	-	49
Payable against purchase investments	-	-	-
Dividend payable	938	-	938
Accrued expenses and other liabilities	534	-	534
	1,596	-	1,596



Financial assets

Balances with banks
Investments
Profit receivable on savings account with banks

2022		
At amortised cost	At fair value through profit or loss	Total
---- (Rupees in '000) ----		
10,124	-	10,124
-	1,262,953	1,262,953
47	-	47
<u>10,171</u>	<u>1,262,953</u>	<u>1,273,124</u>

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company
Payable to Central Depository Company of Pakistan Limited - Trustee
Payable against purchase investments
Dividend payable
Accrued expenses and other liabilities

2022		
At amortised cost	At fair value through profit or loss	Total
(Rupees in '000)		
116	-	116
83	-	83
168	-	168
1,675	-	1,675
524	-	524
<u>2,566</u>	<u>-</u>	<u>2,566</u>

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

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 and regulations laid down by the SECP.

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 profit rates. As of June 30, 2023, the Fund is exposed to such risk on its balances held with banks. 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 (loss) / income for the year and net assets of the Fund would have been higher / lower by Rs. 0.124 million (2022: Rs. 0.101 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2023, the Fund did not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2023 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2023 can be determined as follows:

As at June 30, 2023					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		

On-balance sheet financial instruments

(Rupees in '000)

Financial assets

Balances with banks	7.14% to 19.75%	12,392	-	-	-	12,392
Investments		-	-	-	738,966	738,966
Profit receivable on savings account with banks		-	-	-	79	79
		12,392	-	-	739,045	751,437

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	75	75
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	49	49
Payable against purchase investments - net		-	-	-	-	-
Dividend payable		-	-	-	938	938
Accrued expenses and other liabilities		-	-	-	534	534
		-	-	-	1,596	1,596

On-balance sheet gap

		12,392	-	-	737,449	749,841
--	--	--------	---	---	---------	---------

Off-balance sheet financial instruments

		-	-	-	-	-
--	--	---	---	---	---	---

Off-balance sheet gap

		-	-	-	-	-
--	--	---	---	---	---	---

Total profit rate sensitivity gap

		12,392	-	-		
--	--	--------	---	---	--	--

Cumulative profit rate sensitivity gap

		12,392	12,392	12,392		
--	--	--------	--------	--------	--	--

As at June 30, 2022					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		

On-balance sheet financial instruments

(Rupees in '000)

Financial assets

Balances with banks	3.41% to 6.01%	10,124	-	-	-	10,124
Investments		-	-	-	1,262,953	1,262,953
Profit receivable on savings account with banks		-	-	-	47	47
		10,124	-	-	1,263,000	1,273,124

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	116	116
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	83	83
Payable against purchase investments - net		-	-	-	168	168
Dividend payable		-	-	-	1,675	1,675
Accrued expenses and other liabilities		-	-	-	524	524
		-	-	-	2,566	2,566

On-balance sheet gap

		10,124	-	-	1,260,434	1,270,558
--	--	--------	---	---	-----------	-----------

Off-balance sheet financial instruments

		-	-	-	-	-
--	--	---	---	---	---	---

Off-balance sheet gap

		-	-	-	-	-
--	--	---	---	---	---	---

Total profit rate sensitivity gap

		10,124	-	-		
--	--	--------	---	---	--	--

Cumulative profit rate sensitivity gap

		10,124	10,124	10,124		
--	--	--------	--------	--------	--	--

(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 profit 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 has exposure to price risk arising from the Fund investment in units of open end mutual funds. The Fund manages its price risk arising from investments by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by SECP from time to time.

In case of 1% increase / decrease in Net Asset Value per unit of the investee funds as at June 30, 2023 with all other variables held constant, the total comprehensive income / (loss) of the Fund for the year would increase / decrease by Rs. 7.390 million (2022: Rs. 12.630 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

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, 2008, 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 redemption requests during the year ended June 30, 2023.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month:

2023						
Within 1 month	More than one month and upto three months	More than three months and upto 1 year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	12,392	-	-	-	-	12,392
Investments	-	-	-	-	738,966	738,966
Receivable against investment	-	-	-	-	-	-
Profit receivable on savings account with banks	79	-	-	-	-	79
	12,471	-	-	-	738,966	751,437
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	75	-	-	-	-	75
Payable to Central Depository Company of Pakistan Limited - Trustee	49	-	-	-	-	49
Payable against purchase of investments	-	-	-	-	-	-
Dividend payable	938	-	-	-	-	938
Accrued expenses and other liabilities	-	534	-	-	-	534
	1,062	534	-	-	-	1,596
Net financial assets / (liabilities)	11,409	(534)	-	-	738,966	749,841
2022						
Within 1 month	More than one month and upto three months	More than three months and upto 1 year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	10,124	-	-	-	-	10,124
Investments	-	-	-	-	1,262,953	1,262,953
Profit receivable on savings account with banks	47	-	-	-	-	47
	10,171	-	-	-	1,262,953	1,273,124
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	116	-	-	-	-	116
Payable to Central Depository Company of Pakistan Limited - Trustee	83	-	-	-	-	83
Payable against purchase of investments	168	-	-	-	-	168
Dividend payable	1,675	-	-	-	-	1,675
Accrued expenses and other liabilities	-	524	-	-	-	524
	2,042	524	-	-	-	2,566
Net financial assets / (liabilities)	8,129	(524)	-	-	1,262,953	1,270,558

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 arises from deposits with banks and financial institutions and profit receivable on bank deposits.

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the investment manager 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:

	2023		2022	
	Balance as per statement of assets and	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
(Rupees in '000)				
Balances with banks	12,392	12,392	10,124	10,124
Investments	738,966	-	1,262,953	-
Profit receivable on savings account with banks	79	79	47	47
	751,437	12,471	1,273,124	10,171

The maximum exposure to credit risk before any credit enhancement as at June 30, 2023 is the carrying amount of the financial assets. Investment in units of mutual funds, however, are not exposed to credit risk and have been excluded from the above analysis.

17.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and related profit receivable thereon. The credit rating profile of balances with banks is as follows:

Rating	% of financial assets exposed to credit risk	
	2023	2022
AAA	99.39	99.17
AA+	0.61	0.83
	100.00	100.00

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 and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2023 and June 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 June 30, 2023 and June 30, 2022, the Fund held the following financial instruments measured at fair value:



2023			2022		
Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
(Rupees in '000)			(Rupees in '000)		
-	738,966	-	-	1,262,953	-

Financial assets ' at fair value through profit or loss'

Units of open ended mutual funds

19 UNITHOLDERS' 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 no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 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 requirement 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 17, 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 UNIT HOLDING PATTERN OF THE FUND

Individual
Retirement funds
Private limited companies
Others
Total

MSAP - I 2023			MSAP - I 2022		
Number of investors	Investment amount	Percentage of total investment	Number of investors	Investment amount	Percentage of total investment
(Rupees in '000)		(Percentage)	(Rupees in '000)		(Percentage)
102	120,328	63.86	158	175,968	45.97
5	67,165	35.64	9	81,415	21.26
-	-	-	3	123,604	32.28
1	946	0.50	1	1,885	0.49
108	188,439	100.00	171	382,872	100.00

Individual
Retirement funds
Private limited companies
Others
Total

MSAP - II 2023			MSAP - II 2022		
Number of investors	Investment amount	Percentage of total investment	Number of investors	Investment amount	Percentage of total investment
(Rupees in '000)		(Percentage)	(Rupees in '000)		(Percentage)
127	82,347	51.49	175	116,280	36.16
3	74,900	46.85	4	76,330	23.74
-	-	-	2	122,070	37.97
1	2,635	1.65	3	6,841	2.13
131	159,882	100.00	184	321,520	100.00

Individual
Director
Retirement funds
Private limited companies
Total

MSAP - III 2023			MSAP - III 2022		
Number of investors	Investment amount	Percentage of total investment	Number of investors	Investment amount	Percentage of total investment
(Rupees in '000)		(Percentage)	(Rupees in '000)		(Percentage)
89	91,060	69.73	133	160,458	74.87
1	15,913	12.18	1	15,491	7.23
3	23,622	18.09	3	38,357	17.90
-	-	-	-	-	-
93	130,595	100.00	137	214,306	100.00

Individual
Retirement funds
Others
Total

MSAP - IV 2023			MSAP - IV 2022		
Number of investors	Investment amount	Percentage of total investment	Number of investors	Investment amount	Percentage of total investment
(Rupees in '000)		(Percentage)	(Rupees in '000)		(Percentage)
66	65,582	85.55	104	87,034	82.91
1	11,074	14.45	3	16,196	15.43
-	-	-	1	1,738	1.66
67	76,656	100.00	108	104,968	100.00

	MSAP - V			MSAP - V		
	2023			2022		
	Number of investors	Investment amount	Percentage of total investment	Number of investors	Investment amount	Percentage of total investment
	(Rupees in '000)	(Percentage)		(Rupees in '000)	(Percentage)	
Individual	27	11,859	35.19	40	25,549	52.08
Retirement funds	2	15,476	45.93	3	17,283	35.23
Others	1	6,363	18.88	1	6,226	12.69
Total	30	33,698	100.00	44	49,057	100.00

	MCPP - III			MCPP - III		
	2023			2022		
	Number of investors	Investment amount	Percentage of total investment	Number of investors	Investment amount	Percentage of total investment
	(Rupees in '000)	(Percentage)		(Rupees in '000)	(Percentage)	
Individual	128	72,498	46.82	165	99,918	50.99
Retirement funds	7	53,827	34.76	7	70,528	35.99
Others	4	28,514	18.42	4	25,521	13.02
Total	139	154,839	100.00	176	195,967	100.00

21 INVESTMENT COMMITTEE MEMBERS

21.1 Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Mohammad Shoab	Chief Executive Officer	CFA / MBA	Thirty Three years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Twenty Seven years
Mr. Taha Javed	Head of Equities	CFA / MBA	Sixteen years
Mr. Faizan Saleem	Head of Shariah Compliant Income	CFA level II / MBA	Sixteen years
Mr. Ali Asghar	Head of Research	CFA / MBA	Twelve years
Mr. Ali Khan	Head of Product Development	CFA / FRM / MBA	Thirteen years
Mr. Akhtar Munir	Head of Risk Management	CFA / MBA, ACCA, FRM, FCMA	Fourteen years
Mr. Ahmed Hassan	SVP Investments	CFA / MBA	Sixteen years
Mr. Asif Imtiaz	VP Investments	CFA / MBA - Finance	Fifteen years
Mr. Zohaib Saeed	AVP Fixed Income	CFA/ACCA	Nine years

21.2 The Fund manager of the Fund is Mr. Asif Imtiaz. Other funds being managed by the Fund Manager are as follows:

- Meezan Dedicated Equity Fund
- Meezan Financial Planning Fund fo Funds
- KSE Meezan Index Fund
- Meezan Asset Allocation Fund;
- Meezan Strategic Allocation Fund-II;
- Meezan Strategic Allocation Fund-III; and
- Meezan Balanced Fund.

22 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of Directors	Designation	Meeting held on			
		August 16, 2022	October 13, 2022	February 13, 2023	April 12, 2023
Mr. Ariful Islam	Chairman	Yes	Yes	Yes	Yes
Mr. Muhammad Abdullah Ahmed	Non-Executive	Yes	Yes	Yes	Yes
Mr. Moin M. Fudda*	Non-Executive	Yes	Yes	Yes	Yes
Mr. Furquan Kidwai	Independent Director	Yes	Yes	Yes	Yes
Mr. Mubashar Maqbool	Non-Executive	Yes	Yes	Yes	Yes
Mr. Tariq Mairaj	Non-Executive	Yes	Yes	Yes	Yes
Mr. Naeem	Non-Executive	Yes	Yes	Yes	Yes
Mr. Feroz Rizvi	Independent Director	Yes	Yes	Yes	Yes
Ms. Danish Zuberi	Independent Director	Yes	No	Yes	Yes
Mr. Mohammad Shoab, CFA	Chief Executive Officer	Yes	Yes	Yes	Yes

*Mr. Moin M. Fudda resigned from the Board on June 9, 2023.



23 GENERAL

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

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 7, 2023 by the Board of Directors of the Management Company.

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

Chief Executive Officer

Chief Financial Officer

Director



Evolving **Strategic Partnerships**

Al Meezan forges strategic alliances with financial institutions and stakeholders, leveraging collaborative efforts to expand its reach and offer comprehensive financial solutions.

Meezan Strategic Allocation Fund-II

Meezan Strategic Allocation Fund-II is a Shariah Compliant scheme which uses active asset allocation strategy to earn potentially high returns through investment as per respective Allocation Plans by investing in Shariah Compliant Fixed Income / Money Market Collective Investment Schemes and Equity based Collective Investment Schemes.

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
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Non-Executive Nominee Director- MBL
Mr. Naeem Sattar	Non-Executive Nominee Director- PKIC
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Mr. Tariq Mairaj	Non-Executive Nominee Director- MBL

Ms. Shazia Khurram was appointed on July 4, 2023 as director in place of Mr. Moin M. Fudda who resigned from the Board on June 9, 2023 and Mr. Saad Ur Rahman Khan was appointed on August 7, 2023 in place of Mr. Mubashar Maqbool who resigned from the Board on July 21, 2023. The revised composition of the Board Committees is as under.

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. Saad Ur Rahman Khan	Chairman
Ms. Shazia Khurram	Member
Mr. Furquan R. Kidwai	Member

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Saad Ur Rahman Khan	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

Dr. Muhammad Imran Usmani
Jamia Darul Uloom Karachi
Korangi Industrial Area Karachi Postal Code 75180 Pakistan
Tel: +92 21 35044770
Email: miu786@gmail.com

BANKERS TO THE FUND

Bank Al Habib Limited - Islamic Banking
Meezan Bank Limited

LEGAL ADVISER

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

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



Pure. Profit.



REPORT OF THE FUND MANAGER Meezan Strategic Allocation Fund - II (MSAF - II)

Type of Fund

MSAF - II is a perpetual Shariah Compliant (Islamic) Fund of Funds Scheme.

Objective

The fund aims to generate returns on Investments as per respective Allocation Plans by investing in Shariah Compliant Fixed Income and Equity Mutual Funds in line with risk/return preference of the investor.

Strategy and Investment Policy

MSAF - II has two Allocation Plans which allow investors to invest according to their risk tolerance levels. These are closed end Plans which are suitable for Investors having a relatively moderate risk tolerance and/or wish to earn a relatively higher return over the medium term. These can switch exposure between Shariah compliant equity and fixed income mutual funds without any minimum or maximum limits, subject to expectations regarding the market performance.

In line with these different allocation plans, the benchmarks are also a weighted average combination of KSE Meezan Index 30 and Fixed Income/Money Market Schemes performance, according to the invested percentages in both the asset classes.

Meezan Strategic Allocation Plan - MCPP-IV	Weighted avg. return of KMI 30 Index and Fixed Income/ Money Market Scheme as per actual allocation.
Meezan Strategic Allocation Plan - MCPP-V	
Meezan Strategic Allocation Plan - MCPP-VI	
Meezan Strategic Allocation Plan - MCPP-VII	

Performance Table with Benchmark

Returns - FY23	
M CPP IV	10.16%
Benchmark	5.17%
M CPP V	11.36%
Benchmark	5.22%
M CPP VI	16.32%
Benchmark	6.27%
M CPP VII	15.82%
Benchmark	6.39%

Meezan Capital Preservation Plan - IV

The Meezan Capital Preservation Plan - IV posted a total income of Rs. 45 million in FY23. Total gain comprised of realized gain and unrealized loss on investments of Rs. 1.2 million and 0.225 million. Dividend income and profit on saving account with banks comprised of Rs. 44 million and 0.205 million respectively. After accounting for expenses of Rs. 1.62s million, the Fund posted a net income of Rs. 43 million. The net assets of the Fund as at June 30, 2023 were Rs. 237 million.



Pure. Profit.

Meezan Capital Preservation Plan – V

The Meezan Capital Preservation Plan – V posted total gain of Rs. 6 million in FY23. Total gain comprised of realized and unrealized loss on investments of Rs. 0.171 million. Dividend income and profit on saving account with banks comprised of Rs. 8 million and 0.049 million respectively. After accounting for expenses of Rs. 0.214 million, the Fund posted a net income of Rs. 5.7 million. The net assets of the Fund as at June 30, 2023 were Rs. 43 million.

Meezan Capital Preservation Plan – VI

The Meezan Capital Preservation Plan – VI posted total gain of Rs. 8 million in FY23. Total gain comprised of realized gain on investments of Rs. 0.184 million. Dividend income and profit on saving account with banks comprised of Rs. 7.6 million and 0.201 million respectively. After accounting for expenses of Rs. 0.214 million, the Fund posted a net income of Rs. 7.8 million. The net assets of the Fund as at June 30, 2023 were Rs. 29 million.

Meezan Capital Preservation Plan – VII

The Meezan Capital Preservation Plan – VII posted total gain of Rs. 5 million in FY23. Total gain comprised of realized gain and unrealized loss on investments of Rs. 0.182 million and 0.002 million. Dividend income and profit on saving account with banks comprised of Rs. 4.8 million and 0.045 million respectively. After accounting for expenses of Rs. 0.144 million, the Fund posted a net income of Rs. 4.9 million. The net assets of the Fund as at June 30, 2022 were Rs. 25 million.

Distributions

The Interim Pay out by the Fund during the fiscal year ended June 30, 2023 was Rs. 6.00 per unit (12.00%), Rs. 6.00 per unit (12.00%), Rs. 8.50 per unit (17.00%) and Rs. 8.00 per unit (16.00%), in MCPP-IV, MCPP-V, MCPP-VI & MCPP VII respectively. Total distribution made by the fund was Rs. 23.69 million, Rs. 4.40 million, Rs. 4.15 million & Rs. 3.49 million in MCPP-V, MCPP-VI & MCPP-VII respectively.

SWWF Disclosure

Not Applicable

Breakdown of unit holdings by size

(As on June 30, 2023)

Range (Units)	MCPP-IV	MCPP-V	MCPP-VI	MCPP-VII
	No. of investors	No. of investors	No. of investors	No. of investors
1 - 9,999	169	68	61	44
10,000 - 49,999	35	27	14	12
50,000 - 99,999	4	1	0	1
100,000 - 499,999	14	1	1	1
500,000 and above	0	0	0	0
Total	222	97	76	58

PERFORMANCE TABLE
MEEZAN STRATEGIC ALLOCATION FUND-II

	June 30, 2023			
	MCPPIV	MCPPIV	MCPPIV	MCPPIV
	(Rupees in '000)			
Net assets (Rs. '000) (ex-distribution)	236,600	42,654	29,282	25,071
Net assets value / redemption price per unit (ex-distribution) as at June 30 (Rs.) (ex-distribution)	54.9274	53.6376	54.1039	53.0725
Highest redemption price per unit (Rs.)	60.3505	59.0847	62.4616	60.8928
Lowest redemption price per unit (Rs.)	55.3094	53.5556	53.8257	52.7329
Distribution (%)				
Interim	6.00	6.00	8.50	8.00
Final				
Date of distribution				
Interim	June 26, 2023	June 26, 2023	June 26, 2023	June 26, 2023
Final				
Income distribution (Rupees in '000)	23,689	4,399	4,155	3,488
Growth distribution (Rupees in '000)	-	-	-	-
Total return (%)	10.16%	11.36%	16.32%	15.82%

	June 30, 2022			
	MCPPIV	MCPPIV	MCPPIV	MCPPIV
	(Rupees in '000)			
Net assets (Rs. '000) (ex-distribution)	622,646	62,910	65,095	39,673
Net assets value / redemption price per unit (ex-distribution) as at June 30 (Rs.) (ex-distribution)	55.3094	53.5556	53.8257	52.7329
Highest redemption price per unit (Rs.)	57.4496	57.5774	58.9520	56.7037
Lowest redemption price per unit (Rs.)	54.4263	53.5556	53.8257	52.7329
Distribution (%)				
Interim	-	4.00	5.15	4.00
Final				
Date of distribution				
Interim	- June 30, 2022	June 30, 2022	June 30, 2022	June 30, 2022
Final				
Income distribution (Rupees in '000)	-	4,443	5,938	2,869
Growth distribution (Rupees in '000)	-	-	-	-
Total return (%)	-0.79%	6.02%	9.52%	7.30%

	June 30, 2021				
	MCPPIV	MCPPIV	MCPPIV	MCPPIV	MCPPIV
	(Rupees in '000)				
Net assets (Rs. '000) (ex-distribution)	766,790	94,420	93,033	104,311	35,274
Net assets value / redemption price per unit (ex-distribution) as at June 30 (Rs.) (ex-distribution)	55.7516	54.2898	53.8520	52.8771	52.6736
Highest redemption price per unit (Rs.)	56.5981	54.5844	53.8520	52.8990	52.6736
Lowest redemption price per unit (Rs.)	49.7090	50.2774	50.1326	49.2086	49.0633
Distribution (%)					
Interim	-	0.20	-	-	-
Final					
Date of distribution					
Interim	- June 30, 2021		-	-	-
Final					
Income distribution (Rupees in '000)	-	174	-	-	-
Growth distribution (Rupees in '000)	-	-	-	-	-
Total return (%)	12.24%	8.18%	7.42%	7.45%	7.36%

Dr. Muhammad Imran Usmani

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Report of the Shariah Advisor –Meezan Strategic Allocation Fund-II (MSAF-II)

July 29, 2023/ Dhu Al-Hijjah 29, 1443

Alhamdulillah, the period from July 1, 2022 to June 30, 2023 was the Fifth year of operations of Meezan Strategic Allocation Fund (the “MSAF-II” or the “Fund”) under management of Al Meezan Investment Management Limited (the “Al Meezan” or the “Management Company”). I, Dr. Muhammad Imran Ashraf Usmani, am the Shariah Advisor of the Fund and issuing the Shariah Advisor Report (the “Report”) in accordance with the Trust Deed of the Fund. The scope of the Report is to express an opinion on the Shariah compliance of the Fund’s activity.

It is the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the Management Company’s personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

We have reviewed and approved the modes of investments of the Fund in light of Shariah requirements. On the basis of information provided by the Management Company, all operations of the Fund for the year ended June 30, 2023 have been in compliance with the Shariah principles.

In light of the above, we hereby certify that all the provisions of the scheme and investments made on account of the Fund under management of Al Meezan are Shariah-compliant and in accordance with the criteria established by us.

We further confirm that earnings realized through prohibited sources were transferred to the charity account (where applicable).

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

And Allah knows the best.



Dr. Muhammad Imran Ashraf Usmani
Shariah Advisor

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

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TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN STRATEGIC ALLOCATION FUND – II

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Meezan Strategic Allocation Fund – II (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2023 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 25, 2023

INDEPENDENT AUDITORS' REPORT

To the Unit holders of Meezan Strategic Allocation Fund - II

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Meezan Strategic Allocation Fund - II** (the Fund), which comprise the statement of assets and liabilities as at **30 June 2023**, and the income statement, comprehensive income, cash flows statement and movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Fund as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key audit matter	How our audit addressed the key audit matter
1. Existence and valuation of bank balances and investments	
As disclosed in note 5 and 6 to the accompanying financial statements of the Fund for the year ended 30 June 2023, the bank balances and investments (comprised of units of open ended mutual fund) held by the Fund represent 99.9% of the total assets of the Fund as at the year end.	<p>We performed a combination of audit procedures focusing on the existence and valuation of bank balances and investments. Our key procedures included the following:</p> <ul style="list-style-type: none"> - We obtained independent confirmations for verifying the existence of the bank balances as at 30 June 2023 and reconciled it with the books and records of the Fund. - We tested controls over acquisition, disposals and periodic valuation of investments portfolio.

Key audit matter	How our audit addressed the key audit matter
<p>In view of the significance of bank balances and investment in relation to the total assets and the Net Assets Value (NAV) of the Fund, we have considered the existence and valuation of such bank balances and investments as a key audit matter.</p>	<ul style="list-style-type: none"> - We performed substantive audit procedures on year-end balance of portfolio including review of custodian's statement and related reconciliations and valuations on such investments in accordance with the accounting policy of the Fund as mentioned in note 4. - We evaluated the appropriateness of the classification of the investments in accordance with the requirements of IFRS 9 and the valuations in accordance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). - We assessed the Fund's compliance with the requirements of the Regulations in relation to the concentration of investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard. - We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

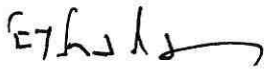
Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

Other Matter

The annual financial statements for the year ended 30 June 2022 were audited by another firm of Chartered Accountants, whose audit report dated 21 September 2022, expressed an unmodified opinion, on the aforementioned financial statements.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.



Chartered Accountants

Date: 26 September 2023

Place: Karachi

UDIN Number: AR202310076ey00JWDNE



MEEZAN STRATEGIC ALLOCATION FUND - II
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2023

As at June 30, 2023						
Note	M CPP - IV	M CPP - V	M CPP - VI	M CPP - VII	Total	
(Rupees in '000)						
Assets						
Balances with banks	5	1,113	751	486	810	3,160
Investments	6	239,998	43,035	44,713	25,895	353,641
Receivable against sale of investments		-	-	-	-	-
Prepayments and profit receivable on balances with banks		44	8	10	7	69
Total assets		241,155	43,794	45,209	26,712	356,870
Liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	7	21	4	4	2	31
Payable to Central Depository Company of Pakistan Limited - Trustee	8	16	2	2	2	22
Payable to the Securities and Exchange Commission of Pakistan (SECP)	9	92	11	10	7	120
Payable against redemption of units		-	-	14,280	-	14,280
Dividend payable		658	298	503	761	2,220
Accrued expenses and other liabilities	10	3,768	825	1,128	869	6,590
		4,555	1,140	15,927	1,641	23,263
Net assets		236,600	42,654	29,282	25,071	333,607
Unit holders' fund (as per statement attached)		236,600	42,654	29,282	25,071	333,607
Contingencies and commitments	11					
-----Number of units-----						
Number of units in issue		4,307,506	795,222	541,217	472,393	
-----Rupees-----						
Net asset value per unit		54.9274	53.6376	54.1039	53.0725	

The annexed notes 1 to 24 form an integral part of these financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2023

Note	As at June 30, 2022					As at August 27, 2021	
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total	MCPP - VIII	
------(Rupees in '000)-----							
Assets							
Balances with banks	5	649	518	1,458	83	2,708	21
Investments	6	622,725	63,468	66,596	41,635	794,424	-
Receivable against sale of investments		-	-	-	-	-	31,646
Profit receivable on balances with banks		12	3	9	26	50	12
Total assets		<u>623,386</u>	<u>63,989</u>	<u>68,063</u>	<u>41,744</u>	<u>797,182</u>	<u>31,679</u>
Liabilities							
Payable to AI Meezan Investment Management Limited - Management Company	7	4	-	-	-	4	3
Payable to Central Depository Company of Pakistan Limited - Trustee	8	42	4	4	3	53	2
Payable to the Securities and Exchange Commission of Pakistan (SECP)	9	144	16	16	19	195	11
Payable against redemption of units		194	-	-	-	194	60
Dividend payable		-	311	2,054	592	2,957	-
Accrued expenses and other liabilities	10	356	748	894	1,457	3,455	155
		<u>740</u>	<u>1,079</u>	<u>2,968</u>	<u>2,071</u>	<u>6,858</u>	<u>231</u>
Net assets		<u>622,646</u>	<u>62,910</u>	<u>65,095</u>	<u>39,673</u>	<u>790,324</u>	<u>31,448</u>
Unit holders' fund (as per statement attached)		<u>622,646</u>	<u>62,910</u>	<u>65,095</u>	<u>39,673</u>	<u>790,324</u>	<u>31,448</u>
Contingencies and commitments	11						
-----Number of units-----							
Number of units in issue		<u>11,257,504</u>	<u>1,174,662</u>	<u>1,209,366</u>	<u>752,347</u>		<u>628,960</u>
-----Rupees-----							
Net asset value per unit		<u>55.3094</u>	<u>53.5556</u>	<u>53.8257</u>	<u>52.7329</u>		<u>50.0000</u>

The annexed notes 1 to 24 form an integral part of these financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023

For the year ended June 30, 2023						
Note	MCPPIV - IV	MCPPIV - V	MCPPIV - VI	MCPPIV - VII	Total	
	(Rupees in '000)					
Income						
Net realised gain / (loss) on sale of investments	1,170	(20)	184	182	1,516	
Dividend income	43,887	6,078	7,604	4,790	62,359	
Profit on savings accounts with banks	205	49	201	45	500	
Other income	-	-	-	-	-	
	<u>45,262</u>	<u>6,107</u>	<u>7,989</u>	<u>5,017</u>	<u>64,375</u>	
Net unrealised diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	(225)	(151)	-	(2)	(378)	
Total income	<u>45,037</u>	<u>5,956</u>	<u>7,989</u>	<u>5,015</u>	<u>63,997</u>	
Expenses						
Remuneration of AI Meezan Investment Management Limited - Management Company	7.1	36	5	12	5	58
Sindh Sales Tax on remuneration of the Management Company	7.2	5	1	2	1	9
Allocated expenses	7.3	507	59	57	37	660
Remuneration to Central Depository Company of Pakistan Limited - Trustee	8.1	323	38	36	23	420
Sindh Sales Tax on remuneration of the Trustee	8.2	42	5	5	3	55
Annual fee to the Securities and Exchange Commission of Pakistan	9	92	11	10	7	120
Auditors' remuneration	12	386	46	43	29	504
Fees and subscription		201	26	25	16	268
Bank and settlement charges		26	23	24	23	96
Legal and professional charges		-	-	-	-	-
Total expenses		<u>1,618</u>	<u>214</u>	<u>214</u>	<u>144</u>	<u>2,190</u>
Net income for the year before taxation		<u>43,419</u>	<u>5,742</u>	<u>7,775</u>	<u>4,871</u>	<u>61,807</u>
Taxation	13	-	-	-	-	-
Net income for the year after taxation		<u>43,419</u>	<u>5,742</u>	<u>7,775</u>	<u>4,871</u>	<u>61,807</u>
Allocation of net income for the year						
Net income for the year / period after taxation		43,419	5,742	7,775	4,871	61,807
Income already paid on units redeemed		(19,088)	(1,283)	(3,420)	(1,214)	(25,005)
		<u>24,331</u>	<u>4,459</u>	<u>4,355</u>	<u>3,657</u>	<u>36,802</u>
Accounting income available for distribution						
- Relating to capital gains		945	-	184	180	1,309
- Excluding capital gains		23,386	4,459	4,171	3,477	35,493
		<u>24,331</u>	<u>4,459</u>	<u>4,355</u>	<u>3,657</u>	<u>36,802</u>

The annexed notes 1 to 24 form an integral part of these financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023

For the year ended June 30, 2022						For the period from July 01, 2021 to August 27, 2021
Note	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total	MCPP - VIII
(Rupees in '000)						
Income						
Net realised gain / (loss) on sale of investments	2,287	(429)	1,079	430	3,367	-
Dividend income	28,461	5,320	5,856	6,173	45,810	440
Profit on savings accounts with banks	35	24	34	37	130	19
Other income	219	10	8	-	237	-
	31,002	4,925	6,977	6,640	49,544	459
Net unrealised diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	(37,110)	(565)	-	(357)	(38,032)	-
Total (loss) / income	(6,108)	4,360	6,977	6,283	11,512	459
Expenses						
Remuneration of Al Meezan Investment Management Limited - Management Company	7.1 10	6	4	6	26	1
Sindh Sales Tax on remuneration of Management Company	7.2 1	1	1	1	4	-
Allocated expenses	7.3 794	90	87	103	1,074	6
Remuneration to Central Depository Company of Pakistan Limited - Trustee	8.1 505	57	56	65	683	4
Sindh Sales Tax on remuneration of the Trustee	8.2 66	7	7	9	89	1
Annual fee to the Securities and Exchange Commission of Pakistan	9 144	16	16	19	195	1
Auditors' remuneration	12 343	40	39	44	466	-
Fees and subscription	218	25	24	28	295	1
Bank and settlement charges	12	6	8	3	29	1
Legal and professional charges	132	16	16	18	182	3
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)	(3,179)	(611)	(380)	(239)	(4,409)	(136)
Total expenses	(954)	(347)	(122)	57	(1,366)	(118)
Net (loss) / income for the year / period before taxation	(5,154)	4,707	7,099	6,226	12,878	577
Taxation	13 -	-	-	-	-	-
Net (loss) / income for the year / period after taxation	(5,154)	4,707	7,099	6,226	12,878	577
Allocation of net income for the year / period						
Net income for the year / period after taxation	-	4,707	7,099	6,226	18,032	577
Income already paid on units redeemed	-	(1,076)	(1,180)	(3,459)	(5,715)	(49)
	-	3,631	5,919	2,767	12,317	528
Accounting income available for distribution						
- Relating to capital gains	-	-	1,079	430	1,509	-
- Excluding capital gains	-	3,631	4,840	2,337	10,808	528
	-	3,631	5,919	2,767	12,317	528

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND - II
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023**

For the year ended June 30, 2023					
MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total	
(Rupees in '000)					
Net income for the year after taxation	43,419	5,742	7,775	4,871	61,807
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	43,419	5,742	7,775	4,871	61,807

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND - II
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023**

	For the year ended June 30, 2022					For the period from July 01, 2021 to August 27, 2021
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total	MCPP - VIII
	(Rupees in '000)					
Net (loss) / income for the year after taxation	(5,154)	4,707	7,099	6,226	12,878	577
Other comprehensive income for the year / period	-	-	-	-	-	-
Total comprehensive (loss) / income for the year	<u>(5,154)</u>	<u>4,707</u>	<u>7,099</u>	<u>6,226</u>	<u>12,878</u>	<u>577</u>

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2023

	June 30, 2023			June 30, 2023			June 30, 2023			June 30, 2023			June 30, 2023		
	MCPPI - IV			MCPPI - V			MCPPI - VI			MCPPI - VII			Total		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year / period	554,213	68,433	622,646	55,825	7,085	62,910	60,098	4,997	65,095	34,375	5,298	39,673	704,511	85,813	790,324
Issuance of units:															
MCPP - IV: 359,270 units, MCPP - V: 61,994 units, MCPP - VI: 52,411 units, MCPP - VII: 36,374 units															
- Capital value (at net asset value per unit at the beginning of the year / period)	22,861	-	22,861	3,324	-	3,324	2,833	-	2,833	1,929	-	1,929	30,947	-	30,947
- Element of loss	55	-	55	-	-	-	-	-	-	-	-	-	55	-	55
Total proceeds on issuance of units	22,916	-	22,916	3,324	-	3,324	2,833	-	2,833	1,929	-	1,929	31,002	-	31,002
Redemption of units:															
MCPP - IV: 7,309,268 units, MCPP - V: 441,435 units, MCPP - VI: 720,560 units, MCPP - VII: 316,328 units															
- Capital value (at net asset value per unit at the beginning of the year / period)	407,402	-	407,402	23,638	-	23,638	38,785	-	38,785	16,681	-	16,681	486,506	-	486,506
- Element of loss	2,202	19,088	21,290	2	1,283	1,285	61	3,420	3,481	19	1,214	1,233	2,284	25,005	27,289
Total payments on redemption of units	409,604	19,088	428,692	23,640	1,283	24,923	38,846	3,420	42,266	16,700	1,214	17,914	488,790	25,005	513,795
Total comprehensive income for the year	-	43,419	43,419	-	5,742	5,742	-	7,775	7,775	-	4,871	4,871	-	61,807	61,807
Distribution during the year	-	(23,689)	(23,689)	-	(4,399)	(4,399)	-	(4,155)	(4,155)	-	(3,488)	(3,488)	-	(35,731)	(35,731)
Net income for the year less distribution	-	19,730	19,730	-	1,343	1,343	-	3,620	3,620	-	1,383	1,383	-	26,076	26,076
Net assets at the end of the year / period	167,525	69,075	236,600	35,509	7,145	42,654	24,085	5,197	29,282	19,604	5,467	25,071	246,723	86,884	333,607
Undistributed income / (accumulated loss) brought forward															
- Realised income		105,543			7,650			4,997			5,655			123,845	
- Unrealised income		(37,110)			(565)			-			(357)			(38,032)	
		68,433			7,085			4,997			5,298			85,813	
Accounting income available for distribution															
- Relating to capital gains		945			-			184			180			1,309	
- Excluding capital gains		23,386			4,459			4,171			3,477			35,493	
		24,331			4,459			4,355			3,657			36,802	
Net loss for the year		-			-			-			-			-	
Distribution during the year		(23,689)			(4,399)			(4,155)			(3,488)			(35,731)	
Undistributed income / (accumulated loss) carried forward		69,075			7,145			5,197			5,467			86,884	
Undistributed income / (accumulated loss) carried forward															
- Realised income		69,300			7,296			5,197			5,469			87,262	
- Unrealised loss		(225)			(151)			-			(2)			(378)	
		69,075			7,145			5,197			5,467			86,884	
Net asset value per unit as at the beginning of the year / period		Rupees			Rupees			Rupees			Rupees			Rupees	
		55.3094			53.5556			53.8257			52.7329			53.0725	
Net asset value per unit as at the end of the year / period		54.9274			53.6376			54.1039			53.0725			53.0725	

The annexed notes 1 to 24 form an integral part of these financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



MEEZAN STRATEGIC ALLOCATION FUND - II
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2023

	June 30, 2022			June 30, 2022			June 30, 2022			June 30, 2022			June 30, 2022			For the period from July 01, 2021 to August 27, 2021		
	MCPPIV - IV			MCPPIV - V			MCPPIV - VI			MCPPIV - VII			Total			MCPPIV - VIII		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Accumulated loss	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year	693,203	73,587	766,790	86,523	7,897	94,420	88,017	5,016	93,033	98,911	5,400	104,311	966,654	91,900	1,058,554	36,443	(1,169)	35,274
Issuance of units:																		
MCPPIV - IV: nil, MCPPIV - V: 63,947, MCPPIV - VI: 56,421, MCPPIV - VII: 35,029 units, MCPPIV - VIII: 40,092 units																		
- Capital value (at net asset value per unit at the beginning of the year / period)	-	-	-	3,472	-	3,472	3,038	-	3,038	1,852	-	1,852	8,362	-	8,362	2,112	-	2,112
- Element of loss	-	-	-	(50)	-	(50)	(4)	-	(4)	(7)	-	(7)	(61)	-	(61)	(107)	-	(107)
Total proceeds on issuance of units	-	-	-	3,422	-	3,422	3,034	-	3,034	1,845	-	1,845	8,301	-	8,301	2,005	-	2,005
Redemption of units:																		
MCPPIV - IV: 8,640,167, MCPPIV - V: 2,566,546, MCPPIV - VI: 2,530,712, MCPPIV - VII: 782,985, MCPPIV - VIII: 632,130																		
- Capital value (at net asset value per unit at the beginning of the year / period)	139,165	-	139,165	34,120	-	34,120	30,945	-	30,945	66,381	-	66,381	270,611	-	270,611	4,256	-	4,256
- Element of (income) / loss	(175)	-	(175)	-	1,076	1,076	8	1,180	1,188	-	3,459	3,459	(167)	5,715	5,548	-	49	49
Total payments on redemption of units	138,990	-	138,990	34,120	1,076	35,196	30,953	1,180	32,133	66,381	3,459	69,840	270,444	5,715	276,159	4,256	49	4,305
Total comprehensive (loss) / income for the year / period	-	(5,154)	(5,154)	-	4,707	4,707	-	7,099	7,099	-	6,226	6,226	-	12,878	12,878	-	577	577
Distribution during the year / period	-	-	-	-	(4,443)	(4,443)	-	(5,938)	(5,938)	-	(2,869)	(2,869)	-	(13,250)	(13,250)	-	(2,103)	(2,103)
Net income for the year / period less distribution	-	(5,154)	(5,154)	-	264	264	-	1,161	1,161	-	3,357	3,357	-	(372)	(372)	-	(1,526)	(1,526)
Net assets at the end of the year / period	554,213	68,433	622,646	55,825	7,085	62,910	60,098	4,997	65,095	34,375	5,298	39,673	704,511	85,813	790,324	34,192	(2,744)	31,448
Undistributed income / (accumulated loss) brought forward																		
- Realised income / (loss)		31,011			7,038			5,016			5,250			48,315			(1,169)	
- Unrealised income		42,576			859			-			150			43,585			-	
		<u>73,587</u>			<u>7,897</u>			<u>5,016</u>			<u>5,400</u>			<u>91,900</u>			<u>(1,169)</u>	
Accounting income available for distribution																		
- Relating to capital gains		-			-			1,079			430			1,509			-	
- Excluding capital gains		-			3,631			4,840			2,337			10,808			528	
		-			<u>3,631</u>			<u>5,919</u>			<u>2,767</u>			<u>12,317</u>			<u>528</u>	
Net loss for the year / period		(5,154)																
Distribution during the year / period		-			(4,443)			(5,938)			(2,869)			(13,250)			(2,103)	
Undistributed income / (accumulated loss) carried forward		<u>68,433</u>			<u>7,085</u>			<u>4,997</u>			<u>5,298</u>			<u>85,813</u>			<u>(2,744)</u>	
Undistributed income / (accumulated loss) carried forward																		
- Realised income / (loss)		105,543			7,650			4,997			5,655			123,845			(2,744)	
- Unrealised loss		(37,110)			(565)			-			(357)			(38,032)			-	
		<u>68,433</u>			<u>7,085</u>			<u>4,997</u>			<u>5,298</u>			<u>85,813</u>			<u>(2,744)</u>	
		Rupees			Rupees			Rupees			Rupees			Rupees			Rupees	
Net asset value per unit as at the beginning of the year / period		<u>55,7516</u>			<u>54,2898</u>			<u>53,8520</u>			<u>52,8771</u>			<u>52,7329</u>			<u>52,6736</u>	
Net asset value per unit as at the end of the year / period		<u>55,3094</u>			<u>53,5556</u>			<u>53,8257</u>			<u>52,7329</u>			<u>52,7329</u>			<u>50,0000</u>	

The annexed notes 1 to 24 form an integral part of these financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023

For the year ended June 30, 2023					
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total
Note(Rupees in '000).....					
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Income for the year / period before taxation	43,419	5,742	7,775	4,871	61,807
Adjustment for:					
Net unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss'	225	151	-	2	378
6.1	43,644	5,893	7,775	4,873	62,185
Decrease in assets					
Investments - net	382,502	20,282	21,883	15,738	440,405
Prepayments and profit receivable on balances with banks	(32)	(5)	(1)	19	(19)
	382,470	20,277	21,882	15,757	440,386
Increase / (decrease) in liabilities					
Payable to Al Meezan Investment Management Limited - Management Company	17	4	4	2	27
Payable to Central Depository Company of Pakistan Limited - Trustee	(26)	(2)	(2)	(1)	(31)
Payable to the Securities and Exchange Commission of Pakistan (SECP)	(52)	(5)	(6)	(12)	(75)
Accrued expenses and other liabilities	3,412	77	234	(588)	3,135
	3,351	74	230	(599)	3,056
Net cash generated from operating activities	429,465	26,244	29,887	20,031	505,627
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts against issuance and conversion of units	22,916	3,324	2,833	1,929	31,002
Payments against redemption and conversion of units	(428,886)	(24,923)	(27,986)	(17,914)	(499,709)
Dividend paid	(23,031)	(4,412)	(5,706)	(3,319)	(36,468)
Net cash used in financing activities	(429,001)	(26,011)	(30,859)	(19,304)	(505,175)
Net increase / (decrease) in cash and cash equivalents during the year	464	233	(972)	727	452
Cash and cash equivalents at the beginning of the year	649	518	1,458	83	2,708
Cash and cash equivalents at the end of the year	1,113	751	486	810	3,160
5					

The annexed notes 1 to 24 form an integral part of these financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023

	For the year ended June 30, 2022					For the period from July 01, 2021 to August 27, 2021
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total	MCPP - VIII
Note(Rupees in '000).....						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net (loss) / income for the year / period before taxation	(5,154)	4,707	7,099	6,226	12,878	577
Adjustment for:						
Net unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss'	6.1 37,110	565	-	357	38,032	-
	31,956	5,272	7,099	6,583	50,910	577
Decrease in assets						
Investments - net	110,751	30,609	26,594	62,357	230,311	34,706
Receivable against sale of investments	-	-	-	-	-	(31,646)
Profit receivable on balances with banks	(10)	-	(8)	(25)	(43)	(9)
	110,741	30,609	26,586	62,332	230,268	3,051
(Decrease) / increase in liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	(69)	(29)	(10)	(10)	(118)	(12)
Payable to Central Depository Company of Pakistan Limited - Trustee	(10)	(3)	(3)	(4)	(20)	-
Payable to the Securities and Exchange Commission of Pakistan (SECP)	(37)	(14)	(15)	(5)	(71)	1
Accrued expenses and other liabilities	(3,672)	(62)	328	1,146	(2,260)	(4)
	(3,788)	(108)	300	1,127	(2,469)	(15)
Net cash generated from operating activities	138,909	35,773	33,985	70,042	278,709	3,613
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts against issuance and conversion of units	-	3,422	3,034	1,845	8,301	2,005
Payments against redemption and conversion of units	(138,847)	(35,283)	(32,195)	(69,876)	(276,201)	(4,245)
Dividend paid	-	(4,148)	(3,884)	(2,277)	(10,309)	(2,103)
Net cash used in financing activities	(138,847)	(36,009)	(33,045)	(70,308)	(278,209)	(4,343)
Net increase / (decrease) in cash and cash equivalents during the year	62	(236)	940	(266)	500	(730)
Cash and cash equivalents at the beginning of the year	587	754	518	349	2,208	751
Cash and cash equivalents at the end of the year	5 649	518	1,458	83	2,708	21

The annexed notes 1 to 24 form an integral part of these financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

MEEZAN STRATEGIC ALLOCATION FUND - II
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Strategic Allocation Fund - II (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed under the Trust Act, 1882 on January 15, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 14, 2017 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Fund is registered as a notified entity under the NBFC Regulations issued through S.R.O.1203(I)/2008 on October 10, 2016. The Trust Deed was previously registered under the "Trust Act, 1882" and now has been registered under "The Sindh Trusts Act, 2020". The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, the above-mentioned Trust Deed has been registered under the Sindh Trust Act. The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to enable the unit holders to participate in a diversified portfolio of Equity Schemes and Fixed Income / Money Market Schemes, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah compliant Fund of Funds Scheme. Units are offered for public subscription on a continuous basis till the end of the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of SECP after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unit holders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.
- 1.5** The Management Company has been assigned a quality rating of 'AM1' by VIS dated December 30, 2022 (2022: 'AM1' dated December 27, 2021) and by PACRA dated June 23, 2023 (2022: 'AM1' dated June 23, 2022). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and
- 1.6** The Fund is an open-end Shariah compliant Fund of Funds Scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Meezan Capital Preservation Plan-IV (MCPPIV), Meezan Capital Preservation Plan-V (MCPPIV), Meezan Capital Preservation Plan-VI (MCPPIV), Meezan Capital Preservation Plan-VII (MCPPIV) and (Meezan Capital Preservation Plan-VIII (MCPPIV) matured on August 27, 2021) by investing in Shariah compliant Fixed Income / Money Market and Equity Mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans. The management may also invest in other Collective Investments Schemes available to it with prior approval of the SECP. A brief description of the plans is as follows:

<p>Meezan Capital Preservation Plan - IV (MCPPIV - IV)</p>	<p>Medium risk - High return through asset allocation This allocation plan commenced its operations from March 06, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan was two and a half years from the close of the subscription period (i.e. April 30, 2018). However, the SECP has approved extension and in accordance with such extension granted vide its letter No. SCD/AMCW/MCPPIV/2022/83 dated October 30, 2024, the plan shall mature on October 30, 2024. Units shall be subject to front end load.</p>
<p>Meezan Capital Preservation Plan - V (MCPPIV - V)</p>	<p>Medium risk - High return through asset allocation This allocation plan commenced its operations from May 04, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan was two and a half years from the close of the subscription period (i.e. July 06, 2018). However, the SECP has approved extension and in accordance with such extension granted vide its letter No. SCD/AMCW/MSAFII/157/2021 dated January 05, 2024, the plan shall mature on January 05, 2023. Units shall be subject to front end load.</p>

<p>Meezan Capital Preservation Plan - VI (MCP - VI)</p>	<p>Medium risk - High return through asset allocation This allocation plan commenced its operations from July 10, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan was two and a half years from the close of the subscription period (i.e. September 14, 2018). However, the SECP has approved extension and in accordance with such extension granted vide letter No. SCD/AMCW/MSAFII/270/2022 dated March 17, 2024, the plan shall now mature on March 17, 2023. Units shall be subject to front end load.</p>
<p>Meezan Capital Preservation Plan - VII (MCP - VII)</p>	<p>Medium risk - High return through asset allocation This allocation plan commenced its operations from September 26, 2018 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes up to 100 percent. The initial maturity of this plan is two and a half years from the close of the subscription period (i.e. December 05, 2018). However, the SECP has approved extension and in accordance with such extension granted vide letter No. SCD/AMCW/MSAFII/338/2022 dated June 05, 2024, the plan shall now mature on June 05, 2023. Units shall be subject to front</p>

Each allocation plan announces separate Net Asset Values which ranks Pari Passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.

2 BASIS OF PRESENTATION

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

3 BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in conformity 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 VIII A of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IFRS, 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.

3.2 Initial application of standards, amendments and improvements to the approved accounting and reporting standards

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

Amendments and improvements to the approved accounting and reporting standards that became effective during the year

The Company has adopted the following amendments and improvements to the approved accounting and reporting standards which became effective for the current year:

Amendments to approved accounting standards

IFRS 3	Reference to the Conceptual Framework (Amendments)
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)

Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)

IFRS 9	Fees in the '10 percent' test for the derecognition of financial liabilities
IFRS 16	Leases: Lease incentives
IAS 41	Agriculture - Taxation in fair value measurement

The adoption of the above amendments and improvements to the approved accounting and reporting standards did not have any material effect on these financial statements.

Standards and amendments to the approved accounting standards that are not yet effective

The following standards, amendments of IFRSs and improvements to accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards, amendments or improvements:

Amendments		Effective date (annual periods beginning on or after)
IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
IAS 8	Definition of Accounting Estimates - Amendments to	January 01, 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12	January 01, 2023
IAS 1	Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants - Amendments to IAS 1	January 01, 2024
IFRS 16	Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalised
IAS 7 / IFRS 7	Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 -and IFRS 7	January 01, 2024
IAS 12	International Tax Reform – Pillar Two Model Rules -Amendments to IAS 12	January 01, 2023

Further, following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan:

Amendments		IASB Effective date (annual periods beginning on or after)
IFRS 1	First time adoption of IFRS	January 01, 2004
IFRS 17	Insurance Contracts	January 01, 2023

3.3 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires the management to exercise judgment in the application of the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors, including expectation of future events, that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both the current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets.

3.4 Accounting convention

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

3.5 Functional and presentation currency

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

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 Income Statement.

4.3.2 Classification

4.3.2.1 Debt instruments

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

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

The investments of the Fund includes investments in units of mutual funds which are categorised as Puttable Instruments and are mandatorily required to be classified as financial assets at fair value through profit or loss.

4.3.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

Financial assets at 'fair value through profit or loss'

Basis of valuation in the units of mutual funds

The investments of the Fund in the Collective Investment Scheme are valued on the basis of daily net assets value (NAV) announced by the Management Company.

The fair value of financial instruments i.e. investment in mutual funds is based on their Net Asset Value (NAV) at the reporting date without any deduction for estimated future selling costs.

Net gains and losses arising from changes in the fair value of financial assets carried 'at fair value through profit or loss' are taken to the Income Statement.

4.3.4 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.

4.3.5 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.

4.3.6 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 arising 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 value 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 arising 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 Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.8 Unit holders' Fund

Unit holders' Fund of each allocation plan representing the units issued by each respective sub fund separately, is carried at the redemption amount representing the investors' right to a residual interest in the respective sub fund's net assets.

4.9 Issue and redemption of units

Units issued are recorded at the offer price of each allocation plan, determined by the Management Company for the applications received by the distributors during business hours of the day when the applications are received. The offer price of each allocation plan represents the Net Assets Value (NAV) of the units as of the close of that business day plus the allowable sales load, provision of duties and charges and provision for transaction costs, if applicable. The sales load is payable to the distributor and the Management Company.

Units redeemed are recorded at the redemption price of each allocation plan prevalent on the date on which the distributors receive redemption application during business hours on that date. The redemption price represents the NAV as on the close of the business day, less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

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 Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year 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 included in Income Statement and are recognised on the date when the transaction takes place;
- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise;
- Dividend income is recognized when the Fund's right to receive the same is established. i.e. on the commencement of date of book closure of the investee fund declaring the dividend.
- Profit on savings account with banks is recognised on time proportion basis using the effective yield method.

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 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 per unit

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

Earnings 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

		As at June 30, 2023				
		MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total
Note		(Rupees in '000)				
Balances with banks in:						
- Savings accounts	5.1	1,113	751	486	810	3,160

		As at 30 June, 2022					As at August 27, 2021
		MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total	MCPP - VIII
		(Rupees in '000)					
Balances with banks in:							
- Saving accounts	5.1	649	518	1,458	83	2,708	21
		649	518	1,458	83	2,708	21

5.1 These include balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 10% (2022: 6.01%) per annum.

6 INVESTMENTS

		As at June 30, 2023				
Note		MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total
		(Rupees in '000)				
Investments - 'at fair value through profit or loss'						
Units of open ended mutual funds	6.1	239,998	43,035	44,713	25,895	353,641

		As at 30 June, 2022					As at August 27, 2021
Note		MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total	MCPP - VIII
		(Rupees in '000)					
Investments - 'at fair value through profit or loss'							
Units of open ended mutual funds	6.1	622,725	63,468	66,596	41,635	794,424	-

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

Name of Investee Funds	As at July 1, 2022	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Unrealised appreciation/(diminution) as at June 30,	Percentage in relation to	
								Net assets of the Plan	Total market value of investments
				(Number of units)	(Rupees in '000)			(Percentage)	
Meezan Capital Preservation Plan - IV									
Meezan Dedicated Equity Fund	5,553,294	420,031	4,440,366	1,532,959	61,710	61,485	(225)	25.99	25.62
Meezan Rozana Amdani Fund	7,987,860	5,348,003	9,765,605	3,570,258	178,513	178,513	-	75.45	74.38
Meezan Sovereign Fund	-	3,430,352	3,430,352	-	-	-	-	-	-
					240,223	239,998	(225)	101.44	100.00
Meezan Capital Preservation Plan - V									
Meezan Dedicated Equity Fund	173,290	219,408	121,280	271,418	11,037	10,886	(151)	25.52	25.30
Meezan Rozana Amdani Fund	1,129,971	772,929	1,259,929	642,971	32,149	32,149	-	75.37	74.70
Meezan Sovereign Fund*	4	617,773	617,777	-	-	-	-	-	-
					43,186	43,035	(151)	100.89	100.00
Meezan Capital Preservation Plan - VI									
Meezan Rozana Amdani Fund	1,331,913	1,136,331	1,573,986	894,258	44,713	44,713	-	152.70	100.00
Meezan Sovereign Fund	-	859,215	859,215	-	-	-	-	-	-
					44,713	44,713	-	152.70	100.00
Meezan Capital Preservation Plan - VII									
Meezan Dedicated Equity Fund	64,125	-	43,031	21,094	848	846	(2)	3.37	3.27
Meezan Rozana Amdani Fund	781,119	636,792	916,927	500,984	25,049	25,049	-	99.91	96.73
Meezan Sovereign Fund	-	481,352	481,352	-	-	-	-	-	-
					25,898	25,895	(2)	103.28	100.00
Total investments in units of mutual funds (2023)									
Meezan Dedicated Equity Fund	5,790,709	639,439	4,604,677	1,825,471	73,595	73,217	(378)		
Meezan Rozana Amdani Fund	11,230,863	7,894,055	13,516,447	5,608,471	280,423	280,423	-		
Meezan Sovereign Fund*	4	5,388,692	5,388,696	-	-	-	-		
Total as at June 30, 2023					354,018	353,640	(378)		
Total as at June 30, 2022					832,456	794,424	(38,032)		

*Nil due to rounding off

7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

		As at June 30, 2023					
		MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total	
Note		----- (Rupees in '000) -----					
Remuneration payable	7.1	-	-	-	-	-	
Sindh Sales Tax payable on remuneration	7.2	-	-	-	-	-	
Allocated expenses payable	7.3	21	4	4	2	31	
		21	4	4	2	31	
		----- (Rupees in '000) -----					
		As at 30 June, 2022					As at August 27, 2021
		MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total	MCPP - VIII
Note		----- (Rupees in '000) -----					
Remuneration payable	7.1	-	-	-	-	-	-
Sindh Sales Tax payable on remuneration	7.2	-	-	-	-	-	-
Allocated expenses payable	7.3	4	-	-	-	4	3
		4	-	-	-	4	3

- 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, the Management Company has charged its remuneration at the rate of 1% (2022: 1%) per annum of the average annual net assets of the Fund during the year ended June 30, 2023. The remuneration is payable to the Management Company monthly in arrears.
- 7.2 During the year, an amount of Rs.0.0090 million (2022: Rs.0.004 million) was charged on account of sales tax on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs.0.009 million (2022: Rs.0.005 million) has been paid to the Management Company which acts as a collecting agent.
- 7.3 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).

Rate applicable from July 1, 2022 to June 30, 2023
0.11% of the average annual net assets of the Fund

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		As at June 30, 2023				
		MCP - IV	MCP - V	MCP - VI	MCP - VII	Total
Note		------(Rupees in '000)-----				
Remuneration payable	8.1	14	2	2	2	20
Sindh Sales Tax payable on Remuneration of the Trustee	8.2	2	-	-	-	2
		<u>16</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>22</u>

		As at 30 June, 2022					As at August 27, 2021
		MCP - IV	MCP - V	MCP - VI	MCP - VII	Total	MCP - VIII
Note		------(Rupees in '000)-----					
Remuneration payable	8.1	37	4	4	3	48	2
Sindh Sales Tax payable on Remuneration of the Trustee	8.2	5	-	-	-	5	-
		<u>42</u>	<u>4</u>	<u>4</u>	<u>3</u>	<u>53</u>	<u>2</u>

- 8.1 The Trustee is entitled to monthly remuneration of 0.070% (2022: 0.070%) per annum of average net assets for services rendered to the Fund under the provisions of the Trust Deed.
- 8.2 During the year, an amount of Rs.0.023 million (2022: Rs.0.09 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs.0.026 million (2022: Rs.0.073 million) was paid to the Trustee which acts as a collecting agent.

9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% (2022: 0.02%) of the average annual net assets of the Fund.

10 ACCRUED EXPENSES AND OTHER LIABILITIES

		As at June 30, 2023				
		MCP - IV	MCP - V	MCP - VI	MCP - VII	Total
Note		------(Rupees in '000)-----				
Auditors' remuneration payable		247	31	31	25	334
Withholding tax payable		3,306	778	818	797	5,699
Shariah advisor fee payable		92	14	15	10	131
Capital gain tax payable		123	2	264	37	426
		<u>3,768</u>	<u>825</u>	<u>1,128</u>	<u>869</u>	<u>6,590</u>

	As at 30 June, 2022					As at August 27, 2021
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total	MCPP - VIII
	(Rupees in '000)					
Auditors' remuneration payable	231	26	25	36	318	13
Withholding tax payable	-	711	848	431	1,990	99
Shariah advisor fee payable	100	10	10	12	132	6
Capital gain tax payable	25	1	11	978	1,015	13
	<u>356</u>	<u>748</u>	<u>894</u>	<u>1,457</u>	<u>3,455</u>	<u>131</u>

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2023 and June 30, 2022.

12 AUDITORS' REMUNERATION

	For the year ended June 30, 2023				
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total
	(Rupees in '000)				
Annual audit fee	271	34	33	22	360
Fee for half yearly review of condensed interim financial statements	115	12	10	7	144
	<u>386</u>	<u>46</u>	<u>43</u>	<u>29</u>	<u>504</u>

	For the year ended June 30, 2022					For the period from July 01, 2021 to August 27, 2021
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total	MCPP - VIII
	(Rupees in '000)					
Annual audit fee	254	29	29	32	344	-
Fee for half yearly review of condensed interim financial statements	89	11	10	12	122	-
	<u>343</u>	<u>40</u>	<u>39</u>	<u>44</u>	<u>466</u>	<u>-</u>

13 TAXATION

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

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

14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the year ended June 30, 2023 are;

	June 30, 2023			
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII
Total Expense Ratio (including government levies)	0.35%	0.40%	0.42%	0.43%
Government levies	0.03%	0.03%	0.03%	0.03%

	June 30, 2022			
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII
Total Expense Ratio (including government levies)	0.31%	0.32%	0.32%	0.32%
Government levies	0.03%	0.03%	0.03%	0.03%

This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a Collective Investment Scheme categorised as a Fund of Funds Scheme.

15 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.

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

Balances	As at June 30, 2023				
	MCPP - IV	MCPP - V	MCPP - VI	MCPP - VII	Total
Al Meezan Investment Management Limited					
- Management Company					
Remuneration payable to the Management Company (Rs in '000)	-	-	-	-	-
Sindh Sales Tax payable on remuneration of the Management Company (Rs in '000)	-	-	-	-	-
Allocated expenses payable (Rs in '000)	21	4	4	2	31
Meezan Bank Limited					
Bank balance (Rs in '000)	1,100	738	486	810	3,134
Profit receivable on savings accounts (Rs in '000)	44	8	10	7	69
Shariah advisory fee payable (Rs in '000)	92	14	15	10	131
Central Depository Company of Pakistan Limited - Trustee					
Remuneration payable (Rs. in '000)	14	2	2	2	20
Sindh Sales Tax payable on remuneration of the Trustee (Rs. in '000)	2	-	-	-	2
Directors and Executives of the Management Company					
Investment (Rs in '000)	6,153	-	-	-	6,153
Investment (Units)	112,022	-	-	-	112,022
Meezan Dedicated Equity Fund					
Investment (Rs in '000)	61,485	10,886	-	846	73,217
Investment (Units)	1,532,959	271,418	-	21,094	1,825,471
Meezan Rozana Amdani Fund					
Investment (Rs in '000)	178,513	32,149	44,713	25,049	280,424
Investment (Units)	3,570,258	642,971	894,258	500,984	5,608,471
Meezan Sovereign Fund *					
Investment (Rs in '000)	-	-	-	-	-
Investment (Units)	-	-	-	-	-
Unit holders holding 10% or more units of the Fund					
Investment (Rs in '000)	-	6,251	5,964	10,750	22,964
Investment (Units)	-	116,540	110,229	202,548	429,317

* Nil due to rounding off

Balances	As at 30 June, 2022					As at August 27, 2021
	M CPP - IV	M CPP - V	M CPP - VI	M CPP - VII	Total	M CPP - VIII
AI Meezan Investment Management Limited - Management Company						
Remuneration payable to the Management Company (Rs in '000)	-	-	-	-	-	-
Sindh Sales Tax payable on remuneration of the Management Company (Rs in '000)	-	-	-	-	-	-
Allocated expenses payable (Rs in '000)	4	-	-	-	4	3
Meezan Bank Limited						
Bank balance (Rs in '000)	637	506	1,458	83	2,684	21
Profit receivable on savings accounts (Rs. in '000)	12	3	9	26	50	12
Shariah advisory fee (Rs. in '000)	100	10	10	12	132	6
Central Depository Company of Pakistan Limited - Trustee						
Remuneration payable (Rs. in '000)	37	4	4	3	48	2
Sindh Sales Tax payable on remuneration of the Trustee (Rs. in '000)	5	-	-	-	5	-
Directors and Executives of the Management Company						
Investment (Rs in '000)	5,669	-	-	-	5,669	-
Investment (Units)	102,501	-	-	-	102,501	-
Meezan Dedicated Equity Fund						
Investment (Rs in '000)	223,332	6,969	-	2,579	232,880	-
Investment (Units)	5,553,294	173,290	-	64,125	5,790,709	-
Meezan Rozana Amdani Fund						
Investment (Rs in '000)	399,393	56,499	66,596	39,056	561,544	-
Investment (Units)	7,987,860	1,129,971	1,331,913	781,119	11,230,863	-
Meezan Sovereign Fund *						
Investment (Rs in '000)	-	-	-	-	-	-
Investment (Units)	-	4	-	-	4	-
Unit holders holding 10% or more units of the Fund						
Investment (Rs in '000)	254,632	8,740	12,504	14,654	290,530	-
Investment (Units)	4,603,771	163,202	232,300	277,892	5,277,165	-

*Nil due to rounding off

Transactions during the year / period	For the year ended June 30, 2023				
	M CPP - IV	M CPP - V	M CPP - VI	M CPP - VII	Total
AI Meezan Investment Management Limited - Management Company					
Remuneration of the Management Company (Rs in '000)	36	5	12	5	58
Sindh Sales Tax on remuneration of the Management Company (Rs in '000)	5	1	2	1	9
Allocated expenses (Rs in '000)	507	59	57	37	660
Meezan Bank Limited					
Profit on saving account (Rs in '000)	34	23	34	37	128
Shariah advisory fee (Rs. in '000)	201	26	26	16	269

Transactions during the year / period	For the year ended June 30, 2023					Total
	M CPP - IV	M CPP - V	M CPP - VI	M CPP - VII	Total	
Central Depository Company of Pakistan Limited - Trustee						
Remuneration of the Trustee (Rs in '000)	323	38	36	23	420	
Sindh Sales Tax on remuneration of the Trustee (Rs in '000)	42	5	5	3	55	
Meezan Dedicated Equity Fund						
Invested during the year / period (Rs. in '000)	17,000	9,000	-	-	26,000	
Invested during the year / period (Units)	420,031	219,408	-	-	639,439	
Redeemed during the year / period (Rs. in '000)	179,060	4,780	-	1,810	185,650	
Redeemed during the year / period (Units)	4,440,366	121,280	-	43,031	4,604,677	
Meezan Sovereign Fund						
Invested during the year / period (Rs. in '000)	177,780	32,017	44,529	24,946	279,272	
Invested during the year / period (Units)	3,430,352	617,773	859,215	481,352	5,388,692	
Redeemed during the year / period (Rs. in '000)	178,513	32,149	44,713	25,049	280,424	
Redeemed during the year / period (Units)	3,430,352	617,777	859,215	481,352	5,388,696	
Meezan Rozana Amadani Fund						
Invested during the year / period (Rs. in '000)	563,040	139,046	124,213	158,066	984,364	
Invested during the year / period (Units)	5,348,003	772,929	1,136,331	636,792	7,894,055	
Redeemed during the year / period (Rs. in '000)	582,835	161,737	150,808	214,828	1,110,208	
Redeemed during the year / period (Units)	9,765,605	1,259,929	1,573,986	916,927	13,516,447	
Dividend received during the year / period (Rs. in '000)	43,887	6,078	7,604	6,173	63,742	
Dividend received during the year / period (Units)	877,740	121,558	152,074	95,808	1,247,180	
Unit holders holding 10% or more units of the Fund						
Invested during the year / period (Rs. in '000)	-	639	375	823	1,837	
Invested during the year / period (Units)	-	10,122	4,784	13,196	28,102	
Redeemed during the year / period (Rs. in '000)	-	-	-	691	691	
Redeemed during the year / period (Units)	-	-	-	13,026	13,026	
Dividend received during the year / period (Rs. in '000)	-	639	375	1,515	2,529	
Dividend received during the year / period (Units)	-	10,122	4,784	26,222	41,128	
Transactions during the year / period						
For the year ended June 30, 2022						For the period from July 01, 2021 to August 27, 2021
	M CPP - IV	M CPP - V	M CPP - VI	M CPP - VII	Total	M CPP - VIII
AI Meezan Investment Management Limited - Management Company						
Remuneration of the Management Company (Rs in '000)	10	6	4	6	26	1
Sindh Sales Tax on remuneration of the Management Company (Rs in '000)	1	1	1	1	4	-
Allocated expenses (Rs in '000)	794	90	87	103	1,074	6
Meezan Bank Limited						
Profit on saving account (Rs in '000)	34	23	34	37	128	-
Shariah advisory fee (Rs. in '000)	198	22	22	25	267	-
Central Depository Company of Pakistan Limited - Trustee						
Remuneration of the Trustee (Rs in '000)	505	57	56	65	683	4
Sindh Sales Tax on remuneration of the Trustee (Rs in '000)	66	7	7	9	89	1
Meezan Dedicated Equity Fund						
Invested during the year (Rs. in '000)	4,000	16,800	-	9,000	29,800	-
Invested during the year (Units)	86,412	386,947	-	198,453	671,812	-
Redeemed during the year (Rs. in '000)	89,720	23,300	-	13,700	126,720	-
Redeemed during the year (Units)	2,024,543	543,088	-	316,179	2,883,810	-

	For the year ended June 30, 2022					For the period from July 01, 2021 to August 27, 2021
	M CPP - IV	M CPP - V	M CPP - VI	M CPP - VII	Total	M CPP - VIII
Transactions during the year						
Meezan Sovereign Fund						
Invested during the year (Rs. in '000)	492,845	127,777	129,998	148,148	898,768	-
Invested during the year (Units)	9,205,562	2,375,613	2,417,989	2,755,659	16,754,823	-
Redeemed during the year (Rs. in '000)	500,368	128,767	131,077	149,473	909,684	-
Redeemed during the year (Units)	9,205,562	2,375,609	2,417,989	2,755,659	16,754,819	-
Meezan Rozana Amdani Fund						
Invested during the year (Rs. in '000)	563,040	139,046	124,213	158,066	984,364	440
Invested during the year (Units)	11,260,797	2,780,922	2,484,267	3,161,311	19,687,297	8,804
Redeemed during the year (Rs. in '000)	582,835	161,737	150,808	214,828	1,110,208	35,146
Redeemed during the year (Units)	11,656,707	3,234,745	3,016,155	4,296,570	22,204,177	702,926
Dividend received during the year (Rs. in '000)	28,461	5,320	5,856	6,173	45,810	440
Dividend received during the year (Units)	569,228	106,391	117,128	123,453	916,200	8,804

16 FINANCIAL INSTRUMENTS BY CATEGORY

	As at June 30, 2023			As at June 30, 2022		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
	(Rupees in '000)			(Rupees in '000)		
Financial assets						
Balances with banks	3,160	-	3,160	2,708	-	2,708
Investments	-	353,641	353,641	-	794,424	794,424
Prepayment and profit receivable on balances with banks	69	-	69	50	-	50
	3,229	353,641	356,870	2,758	794,424	797,182

	As at June 30, 2023			As at June 30, 2022		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
	(Rupees in '000)			(Rupees in '000)		
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	31	-	31	4	-	4
Payable to Central Depository Company of Pakistan Limited - Trustee	22	-	22	53	-	53
Payable against redemption of units	14,280	-	14,280	194	-	194
Dividend payable	2,220	-	2,220	2,957	-	2,957
Accrued expenses and other liabilities	465	-	465	450	-	450
	17,018	-	17,018	3,658	-	3,658

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

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 and regulations laid down by the SECP.

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 profit rates. As of June 30, 2023, the Fund is exposed to such risk on its balances held with banks and investments in sukuk certificates. 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 year and net assets of the Fund would have been higher / lower by Rs. 0.03 million (2022: Rs. 0.03 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2023, the Fund did not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk.

The composition of the Fund's investment portfolio, profit rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2023 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2023 can be determined as follows:

As at June 30, 2023					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
----- (Rupees in '000) -----					
Financial assets					
Balances with banks	6.01% - 10%	3,160	-	-	3,160
Investments		-	-	353,641	353,641
Prepayments and profit accrued on balances with banks		-	-	69	69
		3,160	-	353,710	356,870
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company		-	-	31	31
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	22	22
Payable against redemption of units		-	-	14,280	14,280
Dividend payable		-	-	2,220	2,220
Accrued expenses and other liabilities		-	-	465	465
		-	-	17,018	17,018
On-balance sheet gap (a)		3,160	-	336,692	339,852
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total profit rate sensitivity gap (a + b)		3,160	-	-	-
Cumulative profit rate sensitivity gap		3,160	3,160	3,160	3,160

As at June 30, 2022					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
(Rupees in '000)					
Financial assets					
Balances with banks	5.26% - 6.01%	2,708	-	-	2,708
Investments		-	-	794,424	794,424
balances with banks		-	-	50	50
		<u>2,708</u>	<u>-</u>	<u>794,474</u>	<u>797,182</u>
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company		-	-	4	4
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	53	53
Payable against redemption of units		-	-	194	194
Dividend payable		-	-	2,957	2,957
Accrued expenses and other liabilities		-	-	450	450
		<u>-</u>	<u>-</u>	<u>3,658</u>	<u>3,658</u>
On-balance sheet gap (a)		<u>2,708</u>	<u>-</u>	<u>790,816</u>	<u>793,524</u>
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total profit rate sensitivity gap (a + b)		<u>2,708</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cumulative profit rate sensitivity gap		<u>2,708</u>	<u>2,708</u>	<u>2,708</u>	

(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 profit 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 has exposure to price risk arising from the Fund investments in open end mutual funds. The Fund manages its price risk arising from investments by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by SECP from time to time.

In case of 1% increase / decrease in Net Assets Value per unit of the Investee Funds as at June 30, 2023 with all other variables held constant, the total comprehensive income of the Plan for the year would increase / decrease by Rs.3.536 million (2022: Rs.7.944 million) and the net assets of the Plan would increase / decrease by the same amount as a result of gains / losses on units of the mutual funds held by the Plans.

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 redemption requests during the year ended June 30, 2023.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month:

As at June 30, 2023						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	3,160	-	-	-	-	3,160
Investments	-	-	-	-	353,641	353,641
Prepayments and profit accrued on balances with banks	69	-	-	-	-	69
	3,229	-	-	-	353,641	356,870
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	31	-	-	-	-	31
Payable to Central Depository Company of Pakistan Limited - Trustee	22	-	-	-	-	22
Payable against redemption of units	14,280	-	-	-	-	14,280
Dividend payable	2,220	-	-	-	-	2,220
Accrued expenses and other liabilities	-	465	-	-	-	465
	16,553	465	-	-	-	17,018
Net financial assets / (liabilities)	(13,324)	(465)	-	-	353,641	339,852

As at 30 June, 2022						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	2,708	-	-	-	-	2,708
Investments	-	-	-	-	794,424	794,424
Profit accrued on balances with banks	50	-	-	-	-	50
	2,758	-	-	-	794,424	797,182
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	4	-	-	-	-	4
Payable to Central Depository Company of Pakistan Limited - Trustee	53	-	-	-	-	53
Payable against redemption of units	194	-	-	-	-	194
Dividend payable	2,957	-	-	-	-	2,957
Accrued expenses and other liabilities	-	450	-	-	-	450
	3,208	450	-	-	-	3,658
Net financial assets / (liabilities)	(450)	(450)	-	-	794,424	793,524

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

	2023		2022	
	Balance as per statement of assets and liabilities (Rupees in '000)	Maximum exposure to credit risk (Rupees in '000)	Balance as per statement of assets and liabilities (Rupees in '000)	Maximum exposure to credit risk (Rupees in '000)
Balances with banks	3,160	3,160	2,708	2,708
Investments	353,641	-	794,424	-
Prepayments and profit receivable on balances with banks	69	69	50	50
	356,870	3,229	797,182	2,758

The maximum exposure to credit risk before any credit enhancement as at June 30, 2023 is the carrying amount of the financial assets. Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in open ended mutual funds of Rs.353.641 million (2022: Rs.794.424 million) are not exposed to credit risk.

17.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and profit accrued thereon, dividend receivable and receivable against sale of units and against investments. The credit rating profile of balances with banks is as follows:

	Amount of financial assets exposed to credit risk (Rupees in '000)		% of financial assets exposed to credit risk (Percentage)	
	2023	2022	2023	2022
Bank				
AAA	3,160	2,708	100%	100%

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 and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2023 and June 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 June 30, 2023 and June 30, 2022, the Fund held the following financial instruments measured at fair value:

	2023			2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	(Rupees in '000)			(Rupees in '000)		
Financial assets 'at fair value through profit or loss'						
Units of open ended mutual funds	-	353,641	-	-	794,424	-
	-	353,641	-	-	794,424	-

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 no restriction on the subscription and redemption of units. 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 requirement 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 17, 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 UNIT HOLDING PATTERN OF THE FUND

	MCP - IV			MCP - IV		
	2023			2022		
	Number of investors	Investment amount	Percentage of total investment	Number of investors	Investment amount	Percentage of total investment
		(Rupees in '000)	%		(Rupees in '000)	%
Individual	209	113,115	47.81%	294	202,440	32.51%
Director	1	6,153	2.60%	-	-	0.00%
Retirement funds	8	68,428	28.92%	19	374,850	60.20%
Others	4	48,904	20.67%	4	45,356	7.28%
Total	222	236,600	100.00%	317	622,646	100.00%

	MCP - V			MCP - V		
	2023			2022		
	Number of investors	Investment amount	Percentage of total investment	Number of investors	Investment amount	Percentage of total investment
		(Rupees in '000)	%		(Rupees in '000)	%
Individual	93	32,051	75.15%	112	41,489	65.95%
Retirement funds	1	620	1.45%	3	12,319	19.58%
Others	3	9,983	23.40%	3	9,102	14.47%
Total	97	42,654	100.00%	118	62,910	100.00%

	MCPP - VI			MCPP - VI		
	2023			2022		
	Number of investors	Investment amount	Percentage of total investment	Number of investors	Investment amount	Percentage of total investment
	(Rupees in '000)		%	(Rupees in '000)		%
Individual	75	23,318	79.63%	203	54,744	84.10%
Retirement funds	1	5,964	20.37%	2	10,351	15.90%
Others	-	-	0.00%	-	-	0.00%
Total	76	29,282	100.00%	205	65,095	100.00%

	MCPP - VII			MCPP - VII		
	2023			2022		
	Number of investors	Investment amount	Percentage of total investment	Number of investors	Investment amount	Percentage of total investment
	(Rupees in '000)		%	(Rupees in '000)		%
Individual	58	25,071	100.00%	195	39,673	100.00%
Retirement funds	-	-	-	-	-	0.00%
Others	-	-	-	-	-	0.00%
Total	58	25,071	100.00%	195	39,673	100.00%

21 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Details of members of investment committee of the Fund are as follows:

Name	Designation	Qualifications	Overall experience
Mr. Mohammad Shoab	Chief Executive Officer	CFA / MBA	Thirty Three years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Twenty Seven years
Mr. Taha Javed	Head of Equities	CFA / MBA	Sixteen years
Mr. Faizan Saleem	Head of Fixed Income	CFA level II / MBA	Sixteen years
Mr. Ali Asghar	Head of Research	CFA / MBA	Twelve years
Mr. Ali Khan	Head of Product Development	CFA / FRM / MBA	Thirteen years
Mr. Akhtar Munir	Head of Risk Management	CFA Level II / MBA, ACCA, FRM, FCMA	Fourteen years
Mr. Ahmed Hassan	SVP Investments	CFA / MBA	Sixteen years
Mr. Asif Imtiaz	VP Investments	CFA / MBA - Finance	Fifteen years
Mr. Zohaib Saeed	AVP Fixed Income	CFA / ACCA	Nine years

21.1 The Fund manager of the Fund is Mr. Asif Imtiaz. Other funds being managed by the Fund manager are as follows:

- Meezan Balanced Fund;
- Meezan Dedicated Equity Fund;
- KSE Meezan Index Fund;
- Meezan Asset Allocation Fund;
- Meezan Financial Planning Fund of Fund;
- Meezan Strategic Allocation Fund; and
- Meezan Strategic Allocation Fund - III.

22 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of Directors	Designation	Meeting held on			
		August 16, 2022	October 13, 2022	February 13, 2023	April 12, 2023
Mr. Ariful Islam	Chairman	Yes	Yes	Yes	Yes
Mr. Muhammad Abdullah Ahmed	Non-Executive	Yes	Yes	Yes	Yes
Mr. Moin M. Fudda*	Non-Executive	Yes	Yes	Yes	Yes
Mr. Furquan Kidwai	Independent Director	Yes	Yes	Yes	Yes
Mr. Mubashar Maqbool	Non-Executive	Yes	Yes	Yes	Yes
Mr. Tariq Mairaj	Non-Executive	Yes	Yes	Yes	Yes
Mr. Naeem	Non-Executive	Yes	Yes	Yes	Yes
Mr. Feroz Rizvi	Independent Director	Yes	Yes	Yes	Yes
Ms. Danish Zuberi	Independent Director	Yes	No	Yes	Yes
Mr. Mohammad Shoab, CFA	Chief Executive Officer	Yes	Yes	Yes	Yes

*Mr. Moin M. Fudda resigned from the Board on June 9, 2023.



23 GENERAL

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

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 7, 2023 by the Board of Directors of the Management Company.

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

Chief Executive Officer

Chief Financial Officer

Director



Community Engagement Development

Al Meezan is dedicated to helping the community save more effectively and offering halal avenues for financial growth. By doing so, we aim to improve the lives of everyone, fostering a brighter future.

Meezan Strategic Allocation Fund-III

Meezan Strategic Allocation Fund-III is a Shariah Compliant scheme which aims to earn potentially high returns through investment as per respective Allocation Plans by investing in Shariah Compliant Fixed Income/Money Market Collective Investment Schemes and Equity based Collective Investment Schemes.

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
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Mr. Mohammad Shoab, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Non-Executive Nominee Director- MBL
Mr. Naeem Sattar	Non-Executive Nominee Director- PKIC
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Mr. Tariq Mairaj	Non-Executive Nominee Director- MBL

Ms. Shazia Khurram was appointed on July 4, 2023 as director in place of Mr. Moin M. Fudda who resigned from the Board on June 9, 2023 and Mr. Saad Ur Rahman Khan was appointed on August 7, 2023 in place of Mr. Mubashar Maqbool who resigned from the Board on July 21, 2023. The revised composition of the Board Committees is as under.

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. Saad Ur Rahman Khan	Chairman
Ms. Shazia Khurram	Member
Mr. Furquan R. Kidwai	Member

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Saad Ur Rahman Khan	Member
Mr. Furquan R. Kidwai	Member
Mr. Mohammad Shoab, CFA	Member

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Mohammad Shoab, 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

Dr. Muhammad Imran Usmani
Jamia Darul Uloom Karachi
Korangi Industrial Area Karachi Postal Code 75180 Pakistan
Tel: +92 21 35044770
Email: miu786@gmail.com

BANKERS TO THE FUND

Meezan Bank Limited

LEGAL ADVISER

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

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

REPORT OF THE FUND MANAGER

Meezan Strategic Allocation Fund – III (MSAF – III)

Type of Fund

MSAF – III is a perpetual Shariah Compliant (Islamic) Fund of Funds Scheme.

Objective

The fund aims to generate returns on Investments as per respective Allocation Plans by investing in Shariah Compliant Fixed Income and Equity Mutual Funds in line with risk/return preference of the investor.

Strategy and Investment Policy

MSAF – III has one Allocation Plans which allow investors to invest according to their risk tolerance levels.

These are closed end Plans which are suitable for Investors having a relatively moderate risk tolerance and/or wish to earn a relatively higher return over the medium term. These can switch exposure between Shariah compliant equity and fixed income mutual funds without any minimum or maximum limits, subject to expectations regarding the market performance.

In line with these different allocation plans, the benchmarks are also a weighted average combination of KSE Meezan Index 30 and Fixed Income/Money Market Schemes performance, according to the invested percentages in both the asset classes.

Meezan Strategic Allocation Plan – III (MCPPIX)	Weighted avg. return of KMI 30 Index and Fixed Income/ Money Market Scheme as per actual Allocation.
---	---

Performance Table with Benchmark

Returns - FY23	
MCPPIX	11.61%
Benchmark	5.58%

The Meezan Capital Preservation Plan – IX posted total gain of Rs. 36 million FY 23. Total gain comprised of realized loss on investments of Rs. 0.41 million while the unrealized loss on investments of Rs. 1.68 million. Dividend income and profit on saving account with banks amounted to Rs. 35.5 million and Rs. 0.265 million respectively. After accounting for expenses of Rs. 1.169 million, the Fund posted a net income of Rs. 34.9 million. The net assets of the Plan as at June 30, 2023 were Rs. 237.352 million. The net asset value per unit as at June 30, 2023 was Rs. 58.2740

Distributions

The interim Pay out by the Plan during the fiscal year ended June 30, 2023 was 6.25 per unit. Total distribution made by the fund was 23.49 million.



Pure. Profit.



SWWF Disclosure

Not Applicable

Breakdown of unit holdings by size

(As on June 30, 2022)

Range (Units)	MSAF- III- MCPP-IX
	No. of investors
1 - 9,999	227
10,000 - 49,999	72
50,000 - 99,999	13
100,000 - 499,999	5
500,000 and above	0
Total	317

PERFORMANCE TABLE
MSAF-III MEEZAN CAPITAL PRE PLAN-IX

	2023	2022	2021
Net assets (Rs. '000) (ex-distribution)	237,352.00	426,632.00	99,921.00
Net assets value / redemption price per unit as at June 30 (Rs.) (ex-distribution)	58.2740	57.8119	57.5234
Offer price per unit as at June 30, (Rs.) (ex-distribution)			
Highest offer price per unit (Rs.)	-	60.3166	-
Lowest offer price per unit (Rs.)	-	59.1194	-
Highest redemption price per unit (Rs.)	64.5018	59.2141	-
Lowest redemption price per unit (Rs.)	57.6557	56.2644	-
Distribution (%)			
Interim	12.50%	1%	0%
Final			
Date of distribution			
Interim			
Final	26/06/2023	30/06/2022	-
Income distribution (Rupees in '000)	23,494.96	3,665	-
Growth distribution (Rupees in '000)			
Total return (%)	11.61	1.37	18.36

	One Year	Two Year	Three Year
Average annual return as at June 30, 2022 (%)	11.61%	6.37%	10.22%

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

Dr. Muhammad Imran Usmani

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Korangi Industrial Area Karachi
Pakistan
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Report of the Shariah Advisor –Meezan Strategic Allocation Fund-III (MSAF-III)

July 29, 2023/ Dhu Al-Hijjah 29, 1443

Alhamdulillah, the period from July 1, 2022 to June 30, 2023 was the Fourth year of operations of Meezan Strategic Allocation Fund (the “MSAF-III” or the “Fund”) under management of Al Meezan Investment Management Limited (the “Al Meezan” or the “Management Company”). I, Dr. Muhammad Imran Ashraf Usmani, am the Shariah Advisor of the Fund and issuing the Shariah Advisor Report (the “Report”) in accordance with the Trust Deed of the Fund. The scope of the Report is to express an opinion on the Shariah compliance of the Fund’s activity.

It is the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the Management Company’s personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

We have reviewed and approved the modes of investments of the Fund in light of Shariah requirements. On the basis of information provided by the Management Company, all operations of the Fund for the year ended June 30, 2023 have been in compliance with the Shariah principles.

In light of the above, we hereby certify that all the provisions of the scheme and investments made on account of the Fund under management of Al Meezan are Shariah-compliant and in accordance with the criteria established by us.

We further confirm that earnings realized through prohibited sources were transferred to the charity account (where applicable).

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

And Allah knows the best.



Dr. Muhammad Imran Ashraf Usmani
Shariah Advisor

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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



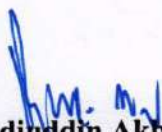
TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN STRATEGIC ALLOCATION FUND – III

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Meezan Strategic Allocation Fund – III (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2023 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 25, 2023

INDEPENDENT AUDITORS' REPORT

To the Unit holders of Meezan Strategic Allocation Fund - III

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Meezan Strategic Allocation Fund - III** (the Fund), which comprise the statement of assets and liabilities as at **30 June 2023**, and the income statement, comprehensive income, cash flows statement and movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Fund as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key audit matter	How our audit addressed the key audit matter
1. Existence and valuation of bank balances and investments	
As disclosed in note 5 and 6 to the accompanying financial statements of the Fund for the year ended 30 June 2023, the bank balances and investments (comprised of units of open ended mutual fund) held by the Fund represent 99.9% of the total assets of the Fund as at the year end.	<p>We performed a combination of audit procedures focusing on the existence and valuation of bank balances and investments. Our key procedures included the following:</p> <ul style="list-style-type: none"> - We obtained independent confirmations for verifying the existence of the bank balances as at 30 June 2023 and reconciled it with the books and records of the Fund. - We tested controls over acquisition, disposals and periodic valuation of investments portfolio.

Key audit matter	How our audit addressed the key audit matter
<p>In view of the significance of bank balances and investment in relation to the total assets and the Net Assets Value (NAV) of the Fund, we have considered the existence and valuation of such bank balances and investments as a key audit matter.</p>	<ul style="list-style-type: none"> - We performed substantive audit procedures on year-end balance of portfolio including review of custodian's statement and related reconciliations and valuations on such investments in accordance with the accounting policy of the Fund as mentioned in note 4. - We evaluated the appropriateness of the classification of the investments in accordance with the requirements of IFRS 9 and the valuations in accordance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). - We assessed the Fund's compliance with the requirements of the Regulations in relation to the concentration of investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard. - We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

Other Matter

The annual financial statements for the year ended 30 June 2022 were audited by another firm of Chartered Accountants, whose audit report dated 21 September 2022, expressed an unmodified opinion, on the aforementioned financial statements.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.



Chartered Accountants

Date: 26 September 2023

Place: Karachi

UDIN Number: AR202310076BcY2hV8ze



**MEEZAN STRATEGIC ALLOCATION FUND - III
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2023**

	2023	2022
Note	MCCP-IX	
	------(Rupees in '000)-----	
Assets		
Balances with banks	5,085	4,636
Investments	237,765	427,603
Profit accrued on balances with banks	55	19
Total assets	242,905	432,258
Liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	27	9
Payable to Central Depository Company of Pakistan Limited - Trustee	16	34
Payable to the Securities and Exchange Commission of Pakistan	65	53
Payable on redemption and conversion of Units	-	950
Dividend payable	872	110
Accrued expenses and other liabilities	4,573	4,580
Total liabilities	5,553	5,736
NET ASSETS	237,352	426,522
CONTINGENCIES AND COMMITMENTS		
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	237,352	426,632
	------(Number of units)-----	
NUMBER OF UNITS IN ISSUE	4,073,034	7,379,654
	------(Rupees)-----	
NET ASSET VALUE PER UNIT	58.2740	57.8119

The annexed notes from 1 to 25 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND - III
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

	2023	2022
Note	MCPPI-IX	
	----- (Rupees in '000) -----	
Income		
Realised gain / (loss) on sale of investments	417	(4,771)
Dividend income	35,584	20,239
Profit on balance with banks	265	345
	36,266	15,813
Net unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss	6.1 (168)	(10,533)
Total income	36,098	5,280
Expenses		
Remuneration of Al Meezan Investment Management Limited - Management Company	7.1 36	79
Sindh Sales Tax on remuneration of the Management Company	7.2 5	10
Allocated expenses	7.3 356	291
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1 227	185
Sindh Sales Tax on remuneration of the Trustee	8.2 29	24
Annual fee to the Securities and Exchange Commission of Pakistan	9 65	53
Legal and Professional Charges	-	184
Auditors' remuneration	12 138	92
Fees and subscription	277	296
Bank and settlement charges	27	6
Reversal of provision of Sindh Workers' Welfare Fund	-	(429)
Total expenses	1,160	791
Net income for the year before taxation	34,939	4,489
Taxation	14 -	-
Net income for the year after taxation	34,939	4,489
Allocation of net income for the year		
Net income for the year after taxation	34,939	4,489
Income already paid on units redeemed	(9,609)	(568)
	25,329	3,921
Accounting income available for distribution		
- Relating to capital gains	249	-
- Excluding capital gains	25,080	3,921
	25,329	3,921

The annexed notes from 1 to 25 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND - III
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023**

	2023	2022
	MCCP-IX	
	------(Rupees in '000)-----	
Net income for the year after taxation	34,939	4,489
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>34,939</u>	<u>4,489</u>

The annexed notes from 1 to 25 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director

**MEEZAN STRATEGIC ALLOCATION FUND - III
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	2023			2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at the beginning of the year	410,201	16,431	426,632	83,746	16,175	99,921
Issuance of units:						
Issuance of 331,908 units (2022: 10,951,410)						
- Capital value (at net asset value per unit at the beginning of the year)	19,326	-	19,326	629,962	-	629,962
- Element of income	77	-	77	3,264	-	3,264
Total proceeds on issuance of units	19,403	-	19,403	633,226	-	633,226
Redemption of units:						
Redemption of 3,638,529 units (2022: 5,308,810 units)						
- Capital value (at net asset value per unit at the beginning of the year)	210,350	-	210,350	305,381	-	305,381
- Element of income	167	9,609	9,777	1,390	568	1,958
Total payments on redemption of units	210,517	9,609	220,127	306,771	568	307,339
Total comprehensive income for the year	-	34,939	34,939	-	4,489	4,489
Distribution during the year	-	(23,495)	(23,495)	-	(3,665)	(3,665)
Net income for the year less distribution	-	11,444	11,444	-	824	824
Net assets at the end of the year	219,087	18,265	237,352	410,201	16,431	426,632
Undistributed income brought forward						
- Realised income		26,964			9,078	
- Unrealised (loss) / income		(10,533)			7,097	
		16,431			16,175	
Accounting income available for distribution						
- Relating to capital gains		249			-	
- Excluding capital gains		25,080			3,921	
		25,329			3,921	
Interim distribution during the year ended June 30, 2023 at Re. 6.25 per unit i.e. 12.50% of the par value of Rs. 50 each		(23,495)			-	
Interim distribution during the year ended June 30, 2022 at Re. 0.5 per unit i.e. 1% of the par value of Rs. 50 each		-			(3,665)	
Undistributed income carried forward		18,265			16,431	
Undistributed income carried forward						
- Realised income		18,433			26,964	
- Unrealised loss		(168)			(10,533)	
		18,265			16,431	
Net asset value per unit as at the beginning of the year			Rupees 57.8119			Rupees 57.5234
Net asset value per unit as at the end of the year			58.2740			57.8119

The annexed notes from 1 to 25 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND - III
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

	2023	2022
	MCCP-IX	
Note	------(Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	34,939	4,489
Adjustment for:		
Net unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss	6.1 168	10,533
	<u>35,107</u>	<u>15,022</u>
Decrease / (increase) in assets		
Investments - net	189,670	(338,028)
Profit accrued on balances with banks	(36)	(17)
	<u>189,634</u>	<u>(338,045)</u>
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	18	(2)
Payable to Central Depository Company of Pakistan Limited - Trustee	(18)	27
Payable to the Securities and Exchange Commission of Pakistan	12	34
Accrued expenses and other liabilities	(7)	3,810
Payable against Investment	-	-
	<u>5</u>	<u>3,869</u>
Net cash generated from / (used in) operating activities	<u>224,746</u>	<u>(319,154)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	19,402	633,226
Payments against redemption and conversion of units	(221,075)	(306,389)
Dividend paid	(22,623)	(3,555)
Net cash (used in) / generated from financing activities	<u>(224,296)</u>	<u>323,282</u>
Net increase in cash and cash equivalents	<u>449</u>	<u>4,128</u>
Cash and cash equivalents at the beginning of the year	4,636	508
Cash and cash equivalents at the end of the year	5 <u><u>5,085</u></u>	<u><u>4,636</u></u>

The annexed notes from 1 to 25 form an integral part of these financial statements.

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

Chief Executive

Chief Financial Officer

Director



**MEEZAN STRATEGIC ALLOCATION FUND - III
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Strategic Allocation Fund - III (the Fund) was established under a Trust Deed executed under the Trust Act, 1882 between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on January 24, 2019 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (NBFC Rules). The Fund is registered as a Notified entity under Non-Banking Finance Companies and Notified Entities Regulations, 2008, (NBFC Regulations) issued through S.R.O.1203(I)/2008 on October 10, 2016. The Trust Deed was previously registered under the "Trust Act, 1882" and now has been registered under "The Sindh Trusts Act, 2020". The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, the above-mentioned Trust Deed has been registered under the Sindh Trust Act. The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to enable the unitholders to participate in a diversified portfolio of equity schemes and fixed income / money market schemes, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah compliant Fund of Funds Scheme. Units are offered for public subscription on a continuous basis till the end of the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the Commission after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unitholders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4** Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.
- 1.5** The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 30, 2022 (2022: 'AM1' dated December 27, 2021) and by PACRA dated June 23, 2023 (2022: 'AM1' dated June 23, 2022). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.6** The Fund generates returns on investment as per allocation plan (sub fund) namely Meezan Capital Preservation Plan-IX (MCP-IX) by investing in Shariah compliant fixed income / money market and equity mutual funds in line with the risk tolerance of the investor. The management may also invest in other Collective Investments Schemes available to it with prior approval of SECP.
- 1.7** A brief description of the plan is as follows:

Meezan Capital Preservation Plan-IX (MCP-IX)	Medium risk - High return through asset allocation This allocation plan commenced its operations from May 14, 2019 and can invest its portfolio between the Equity asset classes / Schemes and Fixed Income or Money Market asset classes / Schemes based on the macroeconomic view and outlook of such asset classes. The initial maturity of this plan was two and a half years from the close of the subscription period i.e. January 29, 2022. However, the SECP has approved extension and in accordance with such extension granted vide letter No. SCD/AMCW/MSAFIII/227/2022 dated January 25, 2022, the plan shall now mature on September 30, 2024. Units shall be subject to front end load.
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2 BASIS OF PRESENTATION

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

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

3.2 Initial application of standards, amendments and improvements to the approved accounting and reporting standards

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

Amendments and improvements to the approved accounting and reporting standards that became effective during the year

The Fund has adopted the following amendments and improvements to the approved accounting and reporting standards which became effective for the current year:

Amendments to approved accounting standards

IFRS 3	Reference to the Conceptual Framework (Amendments)
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)

Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)

IFRS 9	Fees in the '10 percent' test for the derecognition of financial liabilities
IFRS 16	Leases: Lease incentives
IAS 41	Agriculture - Taxation in fair value measurement

The adoption of the above amendments and improvements to the approved accounting and reporting standards did not have any material effect on these financial statements.

3.3 Standards and amendments to the approved accounting standards that are not yet effective

The following standards, amendments of IFRSs and improvements to accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards, amendments or improvements:

Effective date (annual periods beginning on or after)

Amendments

IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
IAS 8	Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising - from a Single Transaction - Amendments to IAS 12	January 01, 2023
IAS 1	Classification of Liabilities as Current or Non-Current and - Non-Current Liabilities with Covenants - Amendments to IAS 1	January 01, 2024
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its - Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalised

Further, following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan:

IASB Effective date (annual periods beginning on or after)

Standards

IFRS 1	First time adoption of IFRS	January 01, 2004
IFRS 17	Insurance Contracts	January 01, 2023

The Company expects that above standards, amendments and improvements to approved accounting standards will not have any material impact on the fund's financial statements in the period of initial application.

3.4 Critical accounting estimates and judgments

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

The estimates and judgements 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 6).

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 is measured at fair value.

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 financial statements are set out below. These policies have been applied consistently to all the years presented.

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 instruments

4.3.1 Classification

4.3.1.1 Debt instruments

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

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

The investments of the Fund includes investments in units of mutual funds which are categorised as Puttable Instruments and are mandatorily required to be classified as financial assets at fair value through profit or loss.

4.3.2 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

a) 'Financial assets at fair value through profit or loss'

Basis of valuation in the collective investment scheme

The investments of the Fund in the collective investment scheme are valued on the basis of daily net assets value (NAV) announced by the management company.

The fair value of financial instruments i.e. investment in mutual funds is based on their net asset value at the reporting date without any deduction for estimated future selling costs.

Net gains and losses arising from changes in the fair value of financial assets carried 'at fair value through profit or loss' are taken to the Income Statement.

4.3.3 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.

4.3.4 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.

4.3.5 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 Income Statement.

4.3.6 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

4.7 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the 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 Unit holders' Fund

Unit holders' Fund of each allocation plan representing the units issued by each respective sub fund separately, is carried at the redemption amount representing the investors' right to a residual interest in the respective sub fund's net

4.9 Issue and redemption of units

Units issued are recorded at the offer price of each allocation plan, determined by the Management Company for the applications received by the distributors during business hours of the day when the application is received. The offer price of each allocation plan represents the net assets value of the units as of the close of that business day plus the allowable sales load, provision of duties and charges and provision for transaction costs, if applicable. The sales load is payable to the distributor and the Management Company.

Units redeemed are recorded at the redemption price of each allocation plan prevalent on the date on which the distributors receive redemption application during business hours on that date. The redemption price represents the net assets value per unit as of close of business day less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

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 Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared 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 redeen

Element of income represents the difference between net assets value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the net assets value (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 net asset value (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.
- 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.
- Dividend income is recognized when the Fund's right to receive the same is established. i.e. on the commencement of date of book closure of the investee fund declaring the dividend.
- Profit on balances with banks is recognised on a time proportion basis using the effective yield method.

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 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 utilized. 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% of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Provided that, for the purpose of determining distribution of at least 90% of the accounting income, the income distributed through bonus units shall not

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in the Finance Act, 2015 is also not applicable on funds (Section 4B of 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 period end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.



	Note	2023	2022
5 BALANCES WITH BANKS		MCCP-IX	
		----- (Rupees in '000) -----	
Saving accounts	5.1	5,085	4,636
5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has last declared profit rate of 10.00% (June 30, 2022: 6.01%) per annum.			

	Note	2023	2022
6 INVESTMENTS		MCCP-IX	
		----- (Rupees in '000) -----	
At fair value through profit or loss			
Units of mutual funds	6.1	237,765	427,603

6.1 Units of mutual funds

Name of investee funds (Related Parties)	As at July 1, 2022	Purchases during the year	Sales during the year	As at June 30, 2023	Carrying value as at June 30, 2023	Market value as at June 30, 2023	Unrealised loss as at June 30, 2023	Percentage in relation to	
								net assets of the Fund	total market value of invest-ments
								----- (Number of units) -----	
								----- (Rupees in '000) -----	
								----- (Percentage) -----	
Meezan Capital Preservation Plan - IX									
Meezan Dedicated Equity Fund	2,324,953	2,324,953	3,086,631	1,563,275	62,869	62,701	(168)	26.42	26.37
Meezan Sovereign Fund	-	3,373,730	3,373,730	-	-	-	-	-	-
Meezan Rozana Amdani Fund	6,682,037	4,225,167	7,405,916	3,501,288	175,064	175,064	-	73.76	73.63
Total as at June 30, 2023					237,933	237,765	(168)		
Total as at June 30, 2022					438,136	427,603	(10,533)		

	Note	2023	2022
7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY		MCCP-IX	
		----- (Rupees in '000) -----	
Management fee payable	7.1	1	3
Sindh Sales Tax payable on remuneration of the Management Company	7.2	2	-
Allocated expenses payable	7.3	24	6
		27	9

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2022: 1%) per annum of the daily bank balances of the Fund during the year ended June 30, 2023. The remuneration is payable to the Management Company monthly in arrears.

7.2 During the year, an amount of Rs 0.01 million (2022: Rs 0.01 million) was charged on account of sales tax on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs 1.55 million (2022: Rs 0.01 million) has been paid to the Management Company which acts as a collecting agent.

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

The management company based on its own discretion has charged allocated expenses at the rate of 0.11% (2022: 0.11%) of the average annual net assets.

	Note	2023	2022
8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		MCPP-IX	
		----- (Rupees in '000) -----	
Trustee fee payable	8.1	9	30
Sindh Sales Tax payable on trustee fee	8.2	7	4
		<u>16</u>	<u>34</u>

8.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.070% (2022: 0.070%) of average annual net assets of the Fund.

8.2 During the year, an amount of Rs. 0.029 million (2022: Rs.0.024 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011.and an amount of Rs. 2.323 million (2022: Rs. 0.021 million) was paid to the Management Company which acts as a collecting agent.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, 2008, a collective investment scheme classified as a Fund of Fund Scheme is required to pay annual fee to the Securities and Exchange Commission of Pakistan at the rate of 0.02% (2022: 0.02%) per annum of average annual net assets of the Fund.

	Note	2023	2022
10 ACCRUED EXPENSES AND OTHER LIABILITIES		MCPP-IX	
		----- (Rupees in '000) -----	
Auditors' remuneration payable		79	58
Shariah advisory fee payable		132	151
Capital gain tax payable		8	3,623
Withholding tax payable		4,341	631
Zakat Payable		13	7
		<u>4,573</u>	<u>4,470</u>

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2023 and June 30, 2022.

	2023	2022
12 AUDITORS' REMUNERATION	MCPP-IX	
	----- (Rupees in '000) -----	
Annual audit fee	97	48
Half yearly review	34	29
Out of pocket expenses	7	15
	<u>138</u>	<u>92</u>

13 TOTAL EXPENSE RATIO

The Total Expense Ratio of the Plan (MCPP-IX) for the year ended June 30, 2023 is 0.36% (2022: 0.46%) which include 0.03% (2022: 0.03%) representing government levies such Sindh Sales Tax and SECP fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Fund of Funds Scheme.

14 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 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 unitholders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2023 to the unitholders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

15 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 15.1 Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited Employees' Gratuity Fund and unitholders holding 10 percent or more of the Fund's net assets.
- 15.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 15.3 Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.
- 15.4 Detail of transactions with connected persons and balances with them are as follows:

	2023	2022
Balances		
	MCCP IX	
	----- (Rupees in '000) -----	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	1	3
Sindh Sales Tax on remuneration payable	2	-
Allocated expenses payable	24	6
Investment of nil units (2022: nil units)	-	-
Meezan Bank Limited		
Bank balance	5,085	4,636
Profit receivable	54	19
Shariah Advisory fee payable	132	151
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	9	30
Sindh Sales Tax on trustee fee payable	7	4
Meezan Dedicated Equity Fund		
Investment of 1,563,275 units (2022: 2,324,953 units)	62,701	93,501
Meezan Rozana Amdani Fund		
Investment of 3,501,282 units (2022: 6,682,037)	175,064	334,102
	2023	2022
	MCCP-IX	
	----- (Rupees in '000) -----	
Transactions during the year		
Al Meezan Investment Management Limited - Management Company		
Remuneration of Al Meezan Investment Management Limited - Management Company	36	79
Sindh Sales Tax on remuneration of the Management Company	5	10
Allocated expenses	356	291
Investment redeemed during the year	-	86,064
Invested during the year (Units)	-	1,478,213
Meezan Bank Limited		
Profit on balance with banks	265	345
Shariah advisory fee	251	269
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	227	185
Sindh Sales Tax on remuneration of the Trustee	29	24



Transactions during the year

Meezan Dedicated Equity Fund

Invested during the year	93,510	122,450
Invested during the year (Units)	2,324,953	2,775,720
Redeemed during the year	123,839	58,350
Redeemed during the year (Units)	3,086,631	1,416,010

Meezan Sovereign Fund

Invested during the year	174,856	56,917
Invested during the year (Units)	3,373,730	1,064,988
Redeemed during the year	175,567	57,488
Redeemed during the year (Units)	3,373,730	1,064,988

Meezan Rozana Amdani Fund

Invested during the year	211,258	535,477
Invested during the year (Units)	4,225,167	10,709,546
Redeemed during the year	370,296	256,207
Redeemed during the year (Units)	7,405,916	5,124,136
Dividend received during the year	35,584	20,239
Dividend received during the year (Units)	712	404,782

2023 **2022**
MCPPI-IX
----- (Rupees in '000) -----

16 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

Balances with banks	5,085	-	5,085
Investments	-	237,765	237,765
Profit accrued on balances with banks	55	-	55
	<u>5,140</u>	<u>237,765</u>	<u>242,906</u>

2023		
At amortised cost	At fair value through profit or loss	Total
----- Rupees in '000 -----		

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company	27	-	27
Payable to Central Depository Company of Pakistan Limited - Trustee	16	-	16
Dividend payable	872	-	872
Accrued expenses and other liabilities	211	-	211
	<u>1,126</u>	<u>-</u>	<u>1,126</u>

2023		
At amortised cost	At fair value through profit or loss	Total
----- Rupees in '000 -----		

Financial assets

Balances with banks	4,636	-	4,636
Investments	-	427,603	427,603
Profit accrued on balances with banks	19	-	19
	<u>4,655</u>	<u>427,603</u>	<u>432,258</u>

2022		
At amortised cost	At fair value through profit or loss	Total
----- Rupees in '000 -----		

2022		
At amortised cost	At fair value through profit or loss	Total
----- Rupees in '000 -----		

Payable to Al Meezan Investment Management Limited - Management Company	9	-	9
Payable to Central Depository Company of Pakistan Limited - Trustee	34	-	34
Payable on redemption and conversion of Units	950	-	950
Dividend payable	110	-	110
Accrued expenses and other liabilities	209	-	209
	<u>1,312</u>	<u>-</u>	<u>1,312</u>

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

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) Yield / 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 profit rates. As of June 30, 2023, the Fund is exposed to such risk on its balances held with banks. 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 year and net assets of the Fund would have been higher / lower by Rs. 0.051 million (2022: Rs. 0.048 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2023, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk.

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2023 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2023 can be determined as follows:

As at June 30, 2023					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		

Rupees in '000

On-balance sheet financial instruments

Financial assets

Balances with banks	10.00%	5,085	-	-	-	5,085
Investments		-	-	-	237,765	237,765
Profit accrued on balances with banks		-	-	-	55	55
		<u>5,085</u>	<u>-</u>	<u>-</u>	<u>237,820</u>	<u>242,905</u>

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	27	27
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	16	16
Dividend payable		-	-	-	872	872
Accrued expenses and other liabilities		-	-	-	211	211
					<u>1,126</u>	<u>1,126</u>

On-balance sheet gap

	<u>5,085</u>	<u>-</u>	<u>-</u>	<u>236,694</u>	<u>241,779</u>
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Off-balance sheet financial instruments

	-	-	-	-	-
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Off-balance sheet gap

	-	-	-	-	-
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Total profit rate sensitivity gap

	<u>5,085</u>	<u>-</u>	<u>-</u>		
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Cumulative profit rate sensitivity gap

	<u>5,085</u>	<u>5,085</u>	<u>5,085</u>		
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As at June 30, 2022					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		

Rupees in '000

On-balance sheet financial instruments

Financial assets

Balances with banks	6.01%	4,636	-	-	-	4,636
Investments		-	-	-	427,603	427,603
Profit accrued on balances with banks		-	-	-	19	19
		<u>4,636</u>	<u>-</u>	<u>-</u>	<u>427,622</u>	<u>432,258</u>

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	9	9
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	34	34
Payable against redemption of units		-	-	-	950	950
Dividend payable		-	-	-	110	110
Accrued expenses and other liabilities		-	-	-	209	209
					<u>1,312</u>	<u>1,312</u>

On-balance sheet gap

	<u>4,636</u>	<u>-</u>	<u>-</u>	<u>426,310</u>	<u>430,946</u>
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Off-balance sheet financial instruments

	-	-	-	-	-
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Off-balance sheet gap

	-	-	-	-	-
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Total profit rate sensitivity gap

	<u>4,636</u>	<u>-</u>	<u>-</u>		
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Cumulative profit rate sensitivity gap

	<u>4,636</u>	<u>4,636</u>	<u>4,636</u>		
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(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 profit 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 has exposure to equity price risk arising from the Fund investments in open end mutual funds. The Fund manages its price risk arising from investments by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by SECP from time to time.

In case of 1% increase / decrease in Net Assets Value per unit of the Investee Funds as at June 30, 2023 with all other variables held constant, the total comprehensive income of the Fund for the year would increase / decrease by Rs. 2.378 million (2022: Rs. 4.276 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on units of the mutual funds held by the Fund.

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 table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

	2023					Total
	Within 1 month	More than one month and upto three months	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	
----- Rupees in '000 -----						
Financial assets						
Balances with banks	5,085	-	-	-	-	5,085
Investments	-	-	-	-	237,765	237,765
Profit accrued on balances with banks	55	-	-	-	-	55
	5,140	-	-	-	237,765	242,905
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	27	-	-	-	-	27
Payable to Central Depository Company of Pakistan Limited - Trustee	16	-	-	-	-	16
Dividend payable	-	872	-	-	-	872
Accrued expenses and other liabilities	-	211	-	-	-	211
	43	1,083	-	-	-	1,126
Net assets / (liabilities)	5,098	(1,083)	-	-	237,765	241,779

----- 2022 -----					
Within 1 month	More than one month and upto three months	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total

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

Financial assets

Balances with banks	4,779	-	-	-	4,779
Investments	-	-	-	427,602	427,602
Profit accrued on balances with banks	19	-	-	-	19
	4,798	-	-	427,602	432,400

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company	8	-	-	-	8
Payable to Central Depository Company of Pakistan Limited - Trustee	34	-	-	-	34
Payable against redemption of units	-	950	-	-	950
Dividend payable	-	110	-	-	110
Accrued expenses and other liabilities	-	320	-	-	320
	42	1,380	-	-	1,422

Net assets / (liabilities)

	4,756	(1,380)	-	-	427,602	430,979
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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. The table below analyses the Fund's maximum exposure to credit risk:

2023		2022	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk

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

Balances with banks	5,085	5,085	4,636	4,636
Investments	237,765	-	427,603	-
Profit accrued on balances with banks	55	55	19	19
	242,905	5,140	432,258	4,655

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. The credit rating profile of balances with banks is as follows:

Rating	2023		2022	
	Amount of financial assets exposed to credit risk	% of financial assets exposed to credit risk	Amount of financial assets exposed to credit risk	% of financial assets exposed to credit risk

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

AAA	5,085	100.00%	4,655	100.00%
	5,085	100%	4,655	100%

18 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'.

As required under the NBFC Regulations, 2008 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. However, during the year on certain days and since June 28, 2021, the Fund is below the minimum requirement of Rs 100 million. However, the Fund is required to comply with this requirement within three months of non-compliance.

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 17, 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.

19 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 June 30, 2023, the Fund held the following financial instruments measured at fair values:

	----- 2023 -----		
	Level 1	Level 2	Level 3
	----- Rupees in '000 -----		
Financial assets			
At fair value through profit or loss	-	237,765	-
	-	237,765	-

	----- 2022 -----		
	Level 1	Level 2	Level 3
	----- Rupees in '000 -----		
Financial assets			
At fair value through profit or loss	-	427,602	-
	-	427,602	-

	MCPP IX			MCPP IX		
	2023			2022		
	Number of investors	Investment amount	Percentage of total investment	Number of investors	Investment amount	Percentage of total investment
20 UNIT HOLDING PATTERN OF THE FUND		Rupees in '000	Percentage		Rupees in '000	Percentage
Individuals	302	223,907	94.34	610	420,891	98.65
Foreign Individuals	13	7,355	3.10	-	-	0.00
Retirement Fund	1	5,460	2.30	1	4,964	1.16
Other corporates	-	-	0.00	1	196	0.05
Others	1	630	0.27	1	581	0.14
Total	317	237,352	100.00	613	426,632	100

21 INVESTMENT COMMITTEE MEMBERS

21.1 Details of members of investment committee of the Fund are as follows:

Name	Designation	Qualification	Experience in years
Mr. Mohammad Shoaib	Chief Executive Officer	CFA / MBA	Thirty Three years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Twenty Seven years
Mr. Taha Javed	Head of Equities	CFA / MBA	Sixteen years
Mr. Faizan Saleem	Head of Fixed Income	CFA level II / MBA	Sixteen years
Mr. Ali Asghar	Head of Research	CFA / MBA	Twelve years
Mr. Ali Khan	Head of Product Development	CFA / FRM / MBA	Thirteen years
Mr. Akhtar Munir	Head of Risk Management	CFA / MBA, ACCA, FRM, FCMA	Fourteen years
Mr. Ahmed Hassan	SVP Investments	CFA / MBA	Sixteen years
Mr. Asif Imtiaz	VP Investments	CFA / MBA - Finance	Fifteen years
Mr. Zohaib Saeed	AVP Fixed Income	CFA/ACCA	Nine years

21.2 The Fund manager of the Fund is Mr. Asif Imtiaz. Other funds being managed by the Fund Manager are as follows:

- Meezan Dedicated Equity Fund;
- Meezan Financial Planning Fund fo Funds;
- KSE Meezan Index Fund;
- Meezan Asset Allocation Fund;
- Meezan Strategic Allocation Fund;
- Meezan Strategic Allocation Fund-III; and
- Meezan Balanced Fund.

22 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

22.1 The date of the meeting of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of Directors	Designation	Meeting held on			
		August 16, 2022	October 13, 2022	February 13, 2023	April 12, 2023
Mr. Ariful Islam	Chairman	Yes	Yes	Yes	Yes
Mr. Muhammad Abdullah	Non-Executive	Yes	Yes	Yes	Yes
Mr. Moin M. Fudda*	Non-Executive	Yes	Yes	Yes	Yes
Mr. Furquan Kidwai	Independent Director	Yes	Yes	Yes	Yes
Mr. Mubashar Maqbool	Non-Executive	Yes	Yes	Yes	Yes
Mr. Tariq Mairaj	Non-Executive	Yes	Yes	Yes	Yes
Mr. Naeem	Non-Executive	Yes	Yes	Yes	Yes
Mr. Feroz Rizvi	Independent Director	Yes	Yes	Yes	Yes
Mr. Danish Zuberi	Independent Director	Yes	No	Yes	Yes
Mr. Mohammad Shoaib, CFA	Chief Executive Officer	Yes	Yes	Yes	Yes

*Mr. Moin M. Fudda resigned from the Board on June 9, 2023.



23 GENERAL

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

23.2 Corresponding figures have also been rearranged and reclassified, wherever necessary, for better presentation. However, there has been no material reclassification to report.

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on August 7, 2023.

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

Chief Executive

Chief Financial Officer

Director