



Compliance and Governance Evolution

Al Meezan's dedication to staying updated with changing regulatory standards and practicing strong corporate governance highlights its commitment to maintaining operational and service excellence.

Meezan Gold Fund

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

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. Irfan Siddiqui	Chairman
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Syed Amir Ali	Non-Executive Nominee Director- MBL
Mr. Ahmed Iqbal Rajani	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Mr. Tariq Mairaj	Non-Executive Nominee Director- MBL

ACTING CHIEF EXECUTIVE OFFICER

Mr. Muhammad Asad

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Syed Haseeb Ahmed Shah

BOARD AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Ahmed Iqbal Rajani	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. Irfan Siddiqui	Chairman
Mr. Saad Ur Rahman Khan	Member
Mr. Furquan R. Kidwai	Member

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
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

M/s Yousuf Adil
Chartered Accountants
Cavish Court, A-35 Shahrah-e-Faisal, K.C.H.S.U Block 7 & 8 Bangalore Town,
Karachi

SHARIAH ADVISER

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
Faysal Bank Limited
Sindh Bank Limited
UBL Ameen - Islamic Banking
Dubai Islamic Bank Limited
Meezan Bank Limited

LEGAL ADVISER

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

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



**MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2024**

		March 31, 2024 (Unaudited)	June 30, 2023 (Audited)
Note		----- (Rupees in '000) -----	
Assets			
	Balances with banks	5 170,047	264,431
	Investment in gold	6 1,401,136	1,059,065
	Receivable against conversion of units	7,762	14
	Advances and other receivables	51,689	34,100
	Total assets	1,630,634	1,357,610
Liabilities			
	Payable to Al Meezan Investment Management Limited - Management Company	8 9,533	2,985
	Payable to Central Depository Company of Pakistan Limited - Trustee	519	307
	Payable to the Securities and Exchange Commission of Pakistan	188	175
	Dividend payable	-	1,374
	Payable against Investment	9,350	-
	Payable against conversion and redemption of units	6,355	1,652
	Accrued expenses and other liabilities	9 4,019	5,061
	Total liabilities	29,964	11,554
	Net assets	1,600,670	1,346,056
	Unit holders' fund (as per statement attached)	1,600,670	1,346,056
	Contingencies and commitments	7	----- (Number of units) -----
	Number of units in issue	9,730,256	8,550,626
		----- (Rupees) -----	
	Net asset value per unit	164.5044	157.4219

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

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

Chief Executive Officer

Chief Financial Officer

Director



MEEZAN GOLD FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2024

	Note	Nine months period ended, March 31,		Quarter ended, March 31,	
		2024	2023	2024	2023
		(Rupees in '000)		(Rupees in '000)	
Income					
Profit on balances with banks		39,282	15,742	9,254	5,532
Price adjustment charges		11,159	1,836	2,881	345
		50,441	17,578	12,135	5,877
Net unrealised appreciation on re-measurement of investment in gold	6	51,615	277,482	113,578	204,929
Total income		102,056	295,060	125,713	210,806
Expenses					
Remuneration of Al Meezan Investment Management Limited - Management Company	8.1	16,263	5,532	5,270	2,070
Sindh Sales Tax on remuneration of Management Company		2,114	719	685	269
Allocated expenses	8.2	3,821	609	523	228
Selling and marketing expenses	8.3	7,590	2,213	2,460	828
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,560	940	510	351
Sindh Sales Tax on remuneration of the Trustee		203	122	67	45
Annual fees to the Securities and Exchange Commission of Pakistan		813	111	263	42
Auditors' remuneration		287	232	(7)	43
Brokerage expense		84	15	1	15
Fees and subscription		272	214	80	28
Bank and settlement charges		16	9	-	7
Custodian fee		8,931	4,470	3,062	1,729
Total expenses		41,954	15,186	12,913	5,655
Net income for the period before taxation		60,102	279,874	112,800	205,151
Taxation	13	-	-	-	-
Net income for the period after taxation		60,102	279,874	112,800	205,151
Allocation of net income for the period					
Net income for the period after taxation		60,102	279,874		
Income already paid on units redeemed		-	(7,157)		
		60,102	272,717		
Accounting income available for distribution					
- Relating to capital gains		51,615	277,482		
- Excluding capital gains		8,487	(4,765)		
		60,102	272,717		

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2024

	Nine months period ended, March 31,		Quarter ended, March 31,	
	2024	2023	2024	2023
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Net income for the period after taxation	60,102	279,874	112,800	205,151
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	60,102	279,874	112,800	205,151

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Nine months period ended March 31, 2024			Nine months period ended March 31, 2023		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	793,401	552,655	1,346,056	377,392	226,606	603,998
Issue of 4,297,501 units (March 31, 2023: 1,042,075 units)						
- Capital value (at net asset value per unit at the beginning of the period)	676,748	-	676,748	108,282	-	108,282
- Element of (loss) / income	(2,352)	-	(2,352)	3,480	-	3,480
Total proceeds on issuance of units	674,396	-	674,396	111,762	-	111,762
Redemption of 3,117,869 units (March 31, 2023: 606,090 units)						
- Capital value (at net asset value per unit at the beginning of the period)	490,821	-	490,821	62,979	-	62,979
- Element of (income) / loss	(10,937)	-	(10,937)	1,774	7,157	8,931
Total payments on redemption of units	479,884	-	479,884	64,753	7,157	71,910
Total comprehensive income for the period	-	60,102	60,102	-	279,874	279,874
Distribution during the period	-	-	-	-	-	-
Net income for the period less distribution	-	60,102	60,102	-	279,874	279,874
Net assets at end of the period	987,913	612,757	1,600,670	424,401	499,323	923,724
Undistributed income brought forward						
- Realised Income		208,079			104,267	
- Unrealised income		344,576			122,339	
		552,655			226,606	
Accounting income available for distribution						
- Relating to capital gains		51,615			277,482	
- Excluding capital gains		8,487			(4,765)	
		60,102			272,717	
Net loss for the period after taxation		-			-	
Undistributed income carried forward		612,757			499,323	
Undistributed income carried forward						
- Realised income		561,142			221,841	
- Unrealised income		51,615			277,482	
		612,757			499,323	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		157,4219			103,9100	
Net assets value per unit at end of the period		164,5044			147,8269	

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

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN GOLD FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Nine months period ended March 31, 2024	
	2024	2023
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	60,102	279,874
Adjustments for:		
Unrealised appreciation on re-measurement of investment in gold	(51,615)	(277,482)
	<u>8,487</u>	<u>2,392</u>
(Increase) / Decrease in assets		
Investments - net	(290,456)	-
Advances and other receivables	(17,589)	(2,450)
	<u>(308,045)</u>	<u>(2,450)</u>
Increase / (Decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	6,548	728
Payable to Central Depository Company of Pakistan Limited - Trustee	212	172
Payable to the Securities and Exchange Commission of Pakistan	13	(1)
Dividend payable	(1,374)	-
Payable against Investment	9,350	-
Payable against purchase of Investments	-	(14,638)
Accrued expenses and other liabilities	(1,042)	990
	<u>13,707</u>	<u>(12,749)</u>
Net cash used in operating activities	<u>(285,851)</u>	<u>(12,807)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	666,648	111,762
Payment against conversion and redemption of units	(475,181)	(70,658)
Net cash generated from financing activities	<u>191,467</u>	<u>41,104</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(94,384)</u>	<u>28,297</u>
Cash and cash equivalents at beginning of the period	264,431	86,766
Cash and cash equivalents at end of the period	<u><u>170,047</u></u>	<u><u>115,063</u></u>

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



MEEZAN GOLD FUND

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Gold Fund is an open ended mutual fund constituted under a Trust Deed entered into on October 15, 2014 between Al Meezan Investment Management Company as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Management Company 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). 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.
- 1.2** The Fund is an open-ended Shariah Compliant (Islamic) Commodity Fund that aims to provide maximum exposure to prices of Gold in a Shariah Compliant (Islamic) manner by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on Pakistan Mercantile Exchange Limited (PMEX). Furthermore, all investments of the Fund's property are in accordance with the Shariah as advised by the Shariah Advisor. The investments in Gold contracts listed at the Commodity Exchange are subject to the PMEX Regulations. The management company has appointed Meezan Bank Limited as its Shariah advisor to ensure that the activities of the fund are in compliance with the principles of Shariah. The investment objectives and policies are more fully explained in the Fund's Offering document.
- 1.3** The Fund has been categorised as a Shariah compliant Commodity Scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs 50 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from August 13, 2015 and are transferable and redeemable by surrendering them to the Fund.
- 1.4** The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 29, 2023 (2022: 'AM1' dated December 30, 2022) 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** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund. The fund is listed on Pakistan Stock Exchange Limited.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement Of Compliance

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

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



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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2023.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2024.

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

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2023.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2023.

4.3 There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		March 31, 2024 (Unaudited)	June 30, 2023 (Audited)
	Note	----- (Rupees in '000) -----	
5. BALANCES WITH BANKS			
In savings accounts	5.1	170,047	264,431
5.1		These include a balance maintained with Meezan Bank Limited (a related party), that has last declared profit rate of 11.01% (June 30, 2023: 10%) per annum. Other profit and loss sharing accounts of the Fund have, expected profit rates ranging from 3.00% to 20.32% per annum (June 30, 2023: 6.74% to 20.20% per annum).	

		March 31, 2024 (Unaudited)	June 30, 2023 (Audited)
	Note	----- (Rupees in '000) -----	
6. INVESTMENTS			
Investment in gold	6.1	1,401,136	1,059,065



6.1 Investment in Gold

Commodity	As at July 1, 2023	Purchases during the period	Sales during the period	As at March 31, 2024	Carrying value as at March 31, 2024	Market value as at March 31, 2024	Unrealised appreciation as at March 31, 2024	Percentage in relation to Net assets of the Fund
	----- (Tola) -----				----- (Rupees in '000) -----			--- (%) ---
TOLAGOLD	4,512	1,250	-	5,762	1,346,012	1,397,498	51,486	87.31%
MITOLA	15,000	-	-	15,000	3,509	3,637	128	0.23%
Total as at March 31, 2024					1,349,521	1,401,136	51,615	
Total as at June 30, 2023					714,489	1,059,065	344,576	

6.1.1 The Pakistan Mercantile Exchange (PMEX) delivers refined Gold in 10 TOLA Bars. These are physically held by PMEX under their custody in the vaults of a commercial bank.

6.1.2 The investment in gold of Rs 1,401.135 million (June 30, 2023: Rs 1,059,065 million) has been measured at fair value based on the quoted market price in active markets.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2024 and June 30, 2023.

	Note	March 31, 2024	June 30, 2023
		(Unaudited)	(Audited)
-----Rupees in 000-----			
8. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED-MANAGEMENT COMPANY			
Management fee payable	8.1	2,093	413
Sindh Sales Tax on Management fee payable		272	54
Allocated expenses payable	8.2	-	503
Sales load payable		910	59
Sindh Sales Tax payable on sales load		118	8
Selling and marketing expenses payable	8.3	6,139	1,948
		9,533	2,985

8.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1.5% (June 30, 2023: 1.5%) per annum of the average net assets of the Fund during the period ended March 31, 2024. The remuneration is payable to the Management Company monthly in arrears.

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

The Management Company, based on its own discretion, has charged such expenses at the rate 0.45% from July 1, 2023 to January 31, 2024 and nil from February 1, 2024 to March 31, 2024 (March 31, 2023: 0.11%) per annum of the average annual net assets of the Fund, subject to total expense charged being lower than actual expense incurred.

8.3 The SECP vide circular # 11 dated July 05, 2019 has revised the conditions for charging of Selling and Marketing expenses to the fund. Accordingly, the Management Company, based on its own discretion has charged selling and marketing expense at 0.7% of the average annual net assets of the Fund which has also been approved by the Board.



	Note	March 31,	June 30,
		2024 (Unaudited)	2023 (Audited)
		----- (Rupees in '000) -----	
9. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditor's remuneration		163	160
Custodian fee payable		2,231	2,680
Withholding tax payable		-	1,154
Capital gain tax payable		599	162
Shariah advisory fee payable		181	101
Zakat Payable		30	3
Brokerage payable		98	90
IBFT redemption Charges		6	-
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	9.1	414	414
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	9.1	297	297
		4,019	5,061

9.1 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2023. Had the provision for Federal Excise Duty not being made, the Net Asset Value of the Fund as at March 31, 2024 would have been higher by Re 0.07 (June 30, 2023: Re 0.08) per unit.

10. TOTAL EXPENSE RATIO

The actual total expense ratio (TER) of the Fund based on the current period results is 2.91% (March 31, 2023: 2.73%) which includes 0.22% (March 31, 2023: 0.17%) representing Government levies on the Fund such as sales taxes, annual fee to the SECP, etc. The prescribed limit for the ratio is 3% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a "commodity fund".

11. PRICE ADJUSTMENT CHARGES

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

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

12. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

Transactions with connected persons 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 management considers that the transactions between the related parties 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. 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.

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



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

	March 31, 2024 (Unaudited)	June 30, 2023 (Audited)
	----- (Rupees in '000) -----	
Balances		
AI Meezan Investment Management Limited - the Management Company		
Remuneration payable	2,093	413
Sindh Sales Tax on management fee payable	272	54
Selling and marketing expenses payable	6,139	1,948
Sales load payable	910	59
Sindh sales tax on sales load payable	118	8
Allocated expenses payable	-	503
Meezan Bank Limited		
Bank balance	17,644	291
Profit receivable on saving account	229	29
Investment of 1,084,115 units (June 30, 2023: 1,084,115 units)	178,342	170,663
Shariah advisor fee payable	181	101
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	459	272
Sindh Sales Tax on trustee fee payable	60	35
Directors and Executives of the Management Company		
Investment of 337,781 units (June 30, 2023: 794,330 units)	9,110,975	125,045
Unit holders holding 10% or more of units of the Fund		
Investment of 1,104,468 units (June 30, 2023: 1,104,468 units)	181,690	173,867
	2024	2023
	(Unaudited)	
	----- (Rupees in '000) -----	
Transactions during the period		
AI Meezan Investment Management Limited - the Management Company		
Remuneration for the period	16,263	5,532
Sindh Sales Tax on management fee for the period	2,114	719
Allocated expenses	3,821	609
Selling and marketing expense	7,590	2,213
Meezan Bank Limited		
Profit on savings account	901	352
Shariah Advisor fee	241	187
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration for the period	1,560	940
Sindh Sales Tax on trustee fee for the period	203	122
Directors and Executives of the Management Company		
Units issued: 183,693 units (March 31, 2023: 55,609 units)	29,118	5,968
Units redeemed: 261,418 units (March 31, 2023: 2,861 units)	39,143	277



13. TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised) to its unitholders.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on funds as Section 4B of Income Tax Ordinance, 2001.

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

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

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

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

Investments in gold are non-financial assets and the fair value is disclosed in note 6.1 to these financial statements. As at March 31, 2024, the Fund does not hold any asset which required fair valuation.

15. GENERAL

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

16. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 15, 2024 by the Board of Directors of the Management Company.

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

Chief Executive Officer

Chief Financial Officer

Director