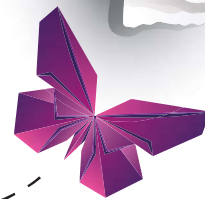


Diverse **Fund Family**

Al Meezan showcases its commitment to excellence by continuously evolving its product mix and expanding its range of investment solutions to best meet investors' needs.

Meezan Sovereign Fund

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



FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. 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

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C, I.I. Chundrigar Road,
Karachi-74000

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

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

LEGAL ADVISER

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

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

**MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT March 31, 2024**

		March 31, 2024 (Unaudited) (Rupees in '000)	June 30, 2023 (Audited)
Assets			
Balances with banks	5	768,805	3,054,345
Investments	6	49,367,309	6,444,210
Receivable against conversion of units		69,047	92,944
Receivable against sale of investment		212,270	-
Deposits, prepayments and other receivables		3,354,874	254,588
Total assets		<u>53,772,305</u>	<u>9,846,087</u>
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	7	136,968	9,603
Payable to Central Depository Company of Pakistan Limited - Trustee		2,990	423
Payable to Securities and Exchange Commission of Pakistan		3,643	1,321
Payable to Meezan Bank Limited		902	251
Dividend payable		80	386
Payable on redemption and conversion of units		1,849,497	1,582,929
Accrued expenses and other liabilities	9	182,149	118,210
Total liabilities		<u>2,176,229</u>	<u>1,713,123</u>
Net assets		<u>51,596,076</u>	<u>8,132,964</u>
Unitholders' fund (as per statement attached)		<u>51,596,076</u>	<u>8,132,964</u>
Contingencies and commitments	8		
Number of units in issue		<u>849,527,773</u>	<u>155,990,593</u>
		(Rupees)	
Net assets value per unit		<u>60.7350</u>	<u>52.1375</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director



MEEZAN SOVEREIGN 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 (Rupees in '000)	2023 (Rupees in '000)	2024 (Rupees in '000)	2023 (Rupees in '000)
Income					
Profit on sukuk certificates		6,068,412	597,611	3,337,449	204,469
Net realised (loss) / income on sale of sukuk certificates		(47,224)	(3,920)	(67,285)	2,755
Profit on saving accounts with banks		1,502,350	119,471	417,427	64,390
		<u>7,523,538</u>	<u>713,162</u>	<u>3,687,591</u>	<u>271,614</u>
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1 & 6.1.2	117,770	(31,950)	(251,580)	(3,770)
Total income		<u>7,641,308</u>	<u>681,212</u>	<u>3,436,011</u>	<u>267,844</u>
Expenses					
Remuneration to Al Meezan Investment Management Limited - Management Company	7.1	219,142	23,882	109,283	8,540
Sindh Sales Tax on remuneration of the Management Company		28,488	3,105	14,206	1,110
Remuneration to Central Depository Company of Pakistan Limited - Trustee		20,036	2,627	10,018	939
Sindh Sales Tax on remuneration of the Trustee		2,605	342	1,303	123
Annual fee to Securities and Exchange Commission of Pakistan		27,321	955	13,660	341
Auditors' remuneration		811	474	180	(19)
Legal and professional charges		-	198	-	198
Fees and subscription		847	849	269	285
Brokerage expense		1,617	647	260	105
Bank and settlement charges		191	200	3	26
Printing Expenses		-	10	-	3
Allocated expenses	7.2	37,769	7,165	10,447	2,562
Selling and marketing expense	7.3	108,712	14,329	54,641	5,124
Total expenses		<u>447,539</u>	<u>54,783</u>	<u>214,270</u>	<u>19,337</u>
Net income for the period before taxation		<u>7,193,769</u>	<u>626,429</u>	<u>3,221,741</u>	<u>248,507</u>
Taxation	12	-	-	-	-
Net income for the period after taxation		<u>7,193,769</u>	<u>626,429</u>	<u>3,221,741</u>	<u>248,507</u>
Allocation of net income for the period					
Net income for the period after taxation		7,193,769	626,429		
Income already paid on units redeemed		(3,396,077)	(118,347)		
		<u>3,797,692</u>	<u>508,082</u>		
Accounting income available for distribution					
- Relating to capital gains		70,546	-		
- Excluding capital gains		3,727,146	508,082		
		<u>3,797,692</u>	<u>508,082</u>		

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



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

	<u>Nine months period</u>		<u>Quarter ended,</u>	
	<u>March 31,</u>		<u>March 31,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<u>(Rupees in '000)</u>		<u>(Rupees in '000)</u>	
Net income for the period after taxation	7,193,769	626,429	3,221,741	248,507
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>7,193,769</u>	<u>626,429</u>	<u>3,221,741</u>	<u>248,507</u>

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

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS PERIOD 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 beginning of the period	7,758,082	374,882	8,132,964	5,884,164	311,913	6,196,077
Issue of 2,254,420,410 units (2023: 94,436,320 units)						
- Capital value (at ex-net asset value per unit at the beginning of the period)	117,539,826	-	117,539,826	4,879,090	-	4,879,090
- Element of income	9,720,379	-	9,720,379	262,904	-	262,904
Total proceeds on issuance of units	127,260,205	-	127,260,205	5,141,994	-	5,141,994
Redemption of 1,560,883,230 units (2023: 91,378,799 units)						
- Capital value (at ex- net asset value per unit at the beginning of the period)	81,380,549	-	81,380,549	4,721,122	-	4,721,122
- Element of loss	6,214,236	3,396,077	9,610,313	114,253	118,347	232,600
Total payments on redemption of units	87,594,785	3,396,077	90,990,862	4,835,375	118,347	4,953,722
Total comprehensive income for the period	-	7,193,769	7,193,769	-	626,429	626,429
Distribution during the period	-	-	-	-	-	-
Net income for the period less distribution	-	7,193,769	7,193,769	-	626,429	626,429
Net assets at end of the period	47,423,502	4,172,574	51,596,076	6,190,783	819,995	7,010,778
Undistributed income brought forward						
- Realised income		404,542			314,344	
- Unrealised (loss) / income		(29,660)			(2,431)	
		<u>374,882</u>			<u>311,913</u>	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains		70,546			-	
- Excluding capital gains		3,727,146			508,082	
		<u>3,797,692</u>			<u>508,082</u>	
Undistributed income carried forward		4,172,574			819,995	
Undistributed income carried forward						
- Realised income		4,054,804			851,945	
- Unrealised income		117,770			(31,950)	
		<u>4,172,574</u>			<u>819,995</u>	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			<u>52.1375</u>			<u>51.6654</u>
Net assets value per unit at end of the period			<u>60.7350</u>			<u>57.0053</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



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

	Nine months period ended March 31,	
	2024	2023
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	7,193,769	626,429
Adjustments for		
Net unrealised (appreciation) / diminution re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(117,770)	31,950
	<u>7,075,999</u>	<u>658,379</u>
(Increase) / Decrease in assets		
Investments - net	(42,805,329)	565,481
Receivable against sale of investment	(212,270)	
Deposits, prepayments and other receivable	(3,100,286)	(169,365)
	<u>(46,117,885)</u>	<u>396,116</u>
Increase / (Decrease) in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	127,365	6,417
Payable to Central Depository Company of Pakistan Limited - Trustee	2,567	44
Payable to Securities and Exchange Commission of Pakistan	2,322	(834)
Dividend payable	(306)	-
Payable to Meezan Bank Limited	651	334
Accrued expenses and other liabilities	63,939	(48,713)
	<u>196,538</u>	<u>(42,752)</u>
Net cash (used in) / generated from operating activities	<u>(38,845,348)</u>	<u>1,011,743</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	127,284,102	5,219,775
Payments against redemption and conversion of units	(90,724,294)	(4,981,416)
Net cash generated from financing activities	<u>36,559,808</u>	<u>238,359</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(2,285,540)</u>	<u>1,250,102</u>
Cash and cash equivalents at the beginning of the period	3,054,345	384,892
Cash and cash equivalents at the end of the period	<u>5</u> <u>768,805</u>	<u>1,634,994</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director



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

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Sovereign Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The 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 NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.
- 1.2** The Fund has been formed to provide the unit holders preservation of capital along with Halal returns by investing primarily in a portfolio of Shariah compliant government securities, thus minimising the credit risk of investments. The Fund also keeps an exposure in short-term near cash instruments for the purpose of maintaining liquidity and to capitalise on high returns if available at any given point of time. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah principles. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.
- 1.3** The Fund is an open end Shariah Compliant (Islamic) Income Scheme, listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 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. The Fund has been given a stability rating of 'AA(f)' by VIS Credit Rating Company Limited dated December 27, 2023 (2022: 'AA(f)' dated January 03, 2023)..
- 1.5** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

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

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

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

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 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.

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

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2024. However, the new standards, interpretations and amendments to the approved accounting standards will not have any material impact on the Fund's financial statements in the period of adoption, therefore, have not been detailed in these condensed interim financial statements.

		March 31, 2024	June 30, 2023
		(Unaudited)	(Audited)
		(Rupees in '000)	
5. BALANCES WITH BANKS	Note		
In saving accounts	5.1	768,800	3,054,340
In current accounts		5	5
		768,805	3,054,345

5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has last declared profit rate of 11.01% (2023: 10.00%) per annum. Other savings accounts of the Fund have expected rates of profit ranging from 6.50% to 21.20% (2023: 6.74% to 20.5%) per annum.

		March 31, 2024	June 30, 2023
		(Unaudited)	(Audited)
		(Rupees in '000)	
6. INVESTMENTS	Note		
Investments - 'at fair value through profit or loss'			
Sukuk Certificates	6.1	49,367,309	6,444,210
6.1 Sukuk Certificates			
Government securities	6.1.1	49,348,208	6,421,246
Corporate sukuks	6.1.2	19,101	22,964
		49,367,309	6,444,210



6.1.1 Government securities

Name of the security	Issue date	Maturity Date	Rate of Return	As at July 01, 2023	Purchased during the period	Disposed/matured 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	Market value as a percentage of net assets of the Fund	Market value as a percentage of total investments
				----- Number of certificates -----			(Rupees in '000)			----- Percentage -----		
Pakistan Energy Sukuk I (note 6.1.1.1)	March 1, 2019	March 1, 2029	6 months KIBOR plus base rate of 0.8%	150,000	-	-	150,000	801,000	801,000	-	1.55%	1.62%
Pakistan Energy Sukuk II (note 6.1.1.1)	May 21, 2020	May 21, 2030	6 months KIBOR plus base rate of 0.10%	914,200	320,000	-	1,234,200	6,172,414	6,178,405	5,991	11.97%	12.52%
GoP Ijarah Sukuk Certificates - XXX - VRR (note 6.1.1.1)	April 17, 2023	April 17, 2024	Weighted average 6 months T-Bills	3,500	53,000	56,500	-	-	-	-	0.00%	0.00%
GoP Ijarah Sukuk Certificates - XXXI - VRR (note 6.1.1.1)	May 22, 2023	May 22, 2024	Weighted average 6 months T-Bills	3,500	60,500	64,000	-	-	-	-	0.00%	0.00%
GoP Ijarah Sukuk Certificates - XXI - VRR (note 6.1.1.1)	July 29, 2020	July 29, 2025	Weighted average 6 months T-Bills	3,500	-	-	3,500	347,900	350,455	2,555	0.68%	0.71%
GoP Ijarah Sukuk Certificates - XXXV - (note 6.1.1.1)	July 12, 2023	July 12, 2024	Weighted average 6 months T-Bills	-	20,000	20,000	-	-	-	-	0.00%	0.00%
GoP Ijarah Sukuk Certificates - XXXVII - (note 6.1.1.1)	Aug 07, 2023	Aug 07, 2024	Weighted average 6 months T-Bills	-	80,000	80,000	-	-	-	-	0.00%	0.00%
GoP Ijarah Sukuk Certificates - XXXIV - (note 6.1.1.1)	Dec 04, 2023	Dec 04, 2028	Weighted average 6 months T-Bills	-	10,000	-	10,000	987,600	1,000,700	13,100	1.94%	2.03%
GoP Ijarah Sukuk Certificates - XXXXI - (note 6.1.1.1)	Dec 04, 2023	Dec 04, 2026	Weighted average 6 months T-Bills	-	210,000	62,000	148,000	14,767,640	14,745,240	(22,400)	28.58%	29.87%
GoP Ijarah Sukuk Certificates - XXXIX - (note 6.1.1.1)	Oct 09, 2023	Oct 09, 2024	Weighted average 6 months T-Bills	-	146,000	8,360	137,640	13,764,000	13,817,680	53,680	26.78%	27.99%
GoP Ijarah Sukuk Certificates - XXI - (note 6.1.1.1)	July 29, 2020	July 29, 2025	Weighted average 6 months T-Bills	-	250	-	250	24,750	24,868	118	0.05%	0.05%
GoP Ijarah Sukuk Certificates - XXII - (note 6.1.1.1)	Jun 24, 2020	Jun 24, 2025	Weighted average 6 months T-Bills	-	100	-	100	9,900	9,973	73	0.02%	0.02%
GoP Ijarah Sukuk Certificates - XXIV - (note 6.1.1.1)	Dec 09, 2020	Dec 09, 2025	Weighted average 6 months T-Bills	-	100	-	100	9,900	10,091	191	0.02%	0.02%
GoP Ijarah Sukuk Certificates - III - VRR	Jan 24, 2024	Jan 24, 2027	Weighted average 6 months T-Bills	-	300,000	400	299,600	1,498,000	1,505,489	7,489		3.05%
GoP Ijarah Sukuk Certificates - XXVI - (note 6.1.1.1)	Oct 29, 2021	Oct 29, 2026	Weighted average 6 months T-Bills	-	20,000	-	20,000	1,990,000	2,025,000	35,000	3.92%	4.10%
GoP Ijarah Sukuk Certificates - I - FRR	Dec 11, 2023	Dec 09, 2024	19.52%	-	2,006,000	9,304	1,996,696	8,857,299	8,879,307	22,008	17.21%	17.99%
Total - March 31, 2024								49,230,403	49,348,208	117,805	92.72%	99.96%
Total as at June 30, 2023								6,448,915	6,421,246	(27,669)	78.96%	99.64%



6.1.1.1 The nominal value of these sukuk certificates is Rs 100,000 each except for GoP Ijarah sukuk certificates I and II - FRR and Pakistan Energy sukuk certificates I and II having nominal value of Rs. 5,000 each.

6.1.2 Corporate sukuks

Name of the security	Maturity date	Profit rate	As at July 1, 2023	Purchases during the period	Sales / redemptions during the period	As at March 31, 2024	Carrying value as at July 01, 2023	Market value as at March 31, 2024	Unrealised (diminution) as at March 31, 2024	Percentage in relation to		
										Net assets of the Fund	Total market value of investment	Paid-up-Capital of the investee company (with face value of investments)
						(Number of certificates)	(Rupees in '000)			----- % -----		
Power generation & distribution												
Neelum Jhelum Hydropower Company (Private) Limited (AAA, VIS, non-traded) (note 6.1.2.1)	June 29, 2026	6 months KIBOR	720	-	-	720	19,136	19,101	(35)	0.04%	0.04%	0.07%
Total - March 31, 2024							<u>19,136</u>	<u>19,101</u>	<u>(35)</u>	<u>0.04%</u>	<u>0.04%</u>	<u>0.07%</u>
Total as at June 30, 2023							24,955	22,964	(1,991)	0.28%	0.36%	

6.1.2.1 The nominal value of the sukuk certificates is Rs 26,250 each.

7	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - THE MANAGEMENT COMPANY	Note	March 31, 2024 (Unaudited) (Rupees in '000)	June 30, 2023 (Audited)
	Management fee payable	7.1	5,124	974
	Sindh Sales Tax payable on remuneration of the Management Company		666	127
	Allocated expenses payable	7.2	-	1,020
	Selling and marketing expenses payable	7.3	95,618	5,480
	Sales load payable		31,602	1,772
	Sindh sales tax on sales load payable		3,958	230
			<u>136,968</u>	<u>9,603</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate from 0.50% to 0.70% (March 31, 2023: 0.50%) per annum of the average net assets of the Fund during the quarter. The remuneration is payable to the Management Company monthly in arrears.

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

The Management Company, based on its own discretion, has charged such expenses at the rate 0.15% from July 1, 2023 to January 31, 2024 and –nil- from February 1, 2024 to March 31, 2024 (March 31, 2023: 0.15%) per annum of the average annual net assets of the Fund, subject to total expense charged being lower than actual expense incurred.

7.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion has charged selling and marketing expenses at the rate from 0.20% to 0.40% (March 31, 2023: 0.30%) of the average annual net assets of the Fund during the quarter. These expenses have also been approved by the Board of Directors of the Management Company.

8. CONTINGENCIES AND COMMITMENTS

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

9.	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	March 31, 2024 (Unaudited) (Rupees in '000)	June 30, 2023 (Audited)
	Auditors' remuneration payable		509	333
	Brokerage payable		265	513
	Shariah advisor fee payable		372	218
	Capital gain tax payable		92,377	34,338
	IBFT Charges Payable - IBFT Redemption		674	-
	Zakat payable		5,313	169
	Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	9.1	80,077	80,077
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	9.1	2,562	2,562
			<u>182,149</u>	<u>118,210</u>



- 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 FED not been made, the Net Asset Value of the Fund as at March 31, 2024 would have been higher by Rs. 0.10 (June 30, 2023 : Rs. 0.53) per unit.

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

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

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

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

Balances	March 31, 2024 (Unaudited) (Rupees in '000)	June 30, 2023 (Audited)
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	5,124	974
Sindh Sales Tax payable on remuneration of the Management Company	666	127
Sales load payable	31,602	1,772
Sindh Sales Tax payable on sales load	3,958	230
Allocated expense payable	-	1,020
Selling and marketing expense payable	95,618	5,480
Investment of nil units (June 30, 2023: Nil units)	-	-
Meezan Bank Limited		
Balances with bank	751,062	224,245
Profit receivable on saving accounts	2,869	364
Sales load payable	798	222
Sindh Sales Tax on sales load payable	104	29
Shariah advisor fee payable	372	218
Investment of 9,969 units (2023: 9,969 units)	605	520
ATM deposit	395	395
Central Depository Company of Pakistan Limited - Trustee		
Security deposit	100	100
Remuneration Payable	2,646	374
Sindh Sales Tax payable on remuneration of the Trustee	344	49
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 214,472 units (2023: 214,472 units)	13,026	11,182
Directors and their close family members and key management personnel of the Management Company		
Investment of 1,001,496 units (2023: 7,175,564 units)	60,826	374,116
Meezan Financial Planning Fund of Funds - Aggressive		
Investment of 305,932 units (2023: nil units)	18,581	-
Meezan Financial Planning Fund of Funds - Moderate Plan		
Investment of 567,509 units (2023: nil units)	34,468	-
Meezan Financial Planning Fund of Funds - Conservative Plan		
Investment of 681,884 units (2023: nil units)	41,414	-



For the nine month period ended
March 31,

Transactions during the period

Al Meezan Investment Management Limited - Management Company

Remuneration for the period	
Sindh Sales Tax on remuneration of the Management Company	
Allocated expenses	
Selling and marketing expense	
Units issued: 5,610 units (March 31, 2023: 5,361,144 units)	
Units redeemed: 5,610 units (March 31, 2023: 11,972,026 units)	

2024	2023
(Unaudited)	
(Rupees in '000)	
219,142	23,882
28,488	3,105
37,769	7,165
108,712	14,329
293	299,376
311	636,181

Meezan Bank Limited

Profit on saving accounts	
Shariah advisor fee	

31,626	1,597
557	575

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the period	
Sindh Sales Tax on trustee fee	
CDS charges for the period	

20,036	2,627
2,605	342
91	68

Directors and executives of the Management Company

Units issued: 13,703,691 units (March 31, 2023: 507,382 units)	
Units redeemed: 19,873,801 units (March 31, 2023: 552,464 units)	

751,849	27,619
1,108,584	30,044

Meezan Financial Planning Fund of Funds - Aggressive Plan

Units issued: 465,964 units (March 31, 2023: nil units)	
Units redeemed: 160,032 units (March 31, 2023: nil units)	

25,795	-
9,075	-

Meezan Financial Planning Fund of Funds - Moderate Plan

Units issued: 740,871 units (March 31, 2023: nil units)	
Units redeemed: 173,361 units (March 31, 2023: nil units)	

40,884	-
10,121	-

Meezan Financial Planning Fund of Funds - Conservative Plan

Units issued: 1357,605 units (March 31, 2023: nil units)	
Units redeemed: 675,721 units (March 31, 2023: nil units)	

76,991	-
40,238	-

Meezan Strategic Allocation Fund MCPP-III

Units issued: 3,096,465 units (March 31, 2023: nil units)	
Units redeemed: 3,096,465 units (March 31, 2023: nil units)	

172,514	-
184,114	-

Meezan Strategic Allocation Fund -II MCPP-IV

Units issued: 3,406,537 units (March 31, 2023: nil units)	
Units redeemed: 3,406,537 units (March 31, 2023: nil units)	

185,422	-
205,554	-

Meezan Strategic Allocation Fund -II MCPP-V

Units issued: 796,881 units (March 31, 2023: nil units)	
Units redeemed: 796,881 units (March 31, 2023: nil units)	

44,091	-
46,266	-

Meezan Strategic Allocation Fund -II MCPP-VI

Units issued: 537,717 units (March 31, 2023: nil units)	
Units redeemed: 537,717 units (March 31, 2023: nil units)	

29,254	-
32,319	-

Meezan Strategic Allocation Fund -II MCPP-VII

Units issued: 442,828 units (March 31, 2023: nil units)	
Units redeemed: 442,828 units (March 31, 2023: nil units)	

24,091	-
26,753	-

Meezan Strategic Allocation Fund-III MCPP-IX

Units issued: 3,342,572 units (March 31, 2023: nil units)	
Units redeemed: 3,342,572 units (March 31, 2023: nil units)	

181,961	-
201,111	-

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at March 31, 2024 is 1.23% (March 31, 2023: 1.15%) which includes 0.16% (March 31, 2023: 0.09%) representing government levies on the Fund such as Sales Taxes and Annual fee to the SECP. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Income Scheme.



12. TAXATION

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

13. FINANCIAL INSTRUMENTS - FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates. Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

13.1. Fair value hierarchy

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

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

As at March 31, 2024, the Fund held the following financial instruments measured at fair value:

	As at March 31, 2024 (unaudited)			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Sukuk Certificates	-	49,367,309	-	49,367,309

	As at June 30, 2023 (audited)			
	Level 1	Level 2	Level 3	Total
ASSETS	----- (Rupees in '000) -----			
Financial assets 'at fair value through profit or loss'				
Sukuk Certificates	-	6,444,210		6,444,210

14. GENERAL

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

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on _____ by the Board of Directors of the Management Company.

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

Chief Executive Officer

Chief Financial Officer

Director