

MEEZAN ASSET ALLOCATION FUND

DIVERSE AVENUES | CONSIDERED ALLOCATION

INVESTMENT OBJECTIVE

To seek potentially attractive returns by allocating investments across Shariah-compliant equity, fixed-income, money-market and other permitted instruments.

FUND INFORMATION



Meezan

Asset Allocation
Fund

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
Ms. Ayesha Umer	Non-Executive Nominee Director- PKIC
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Mr. Imtiaz Gadar	Chief Executive Officer
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Dr. Syed Amir Ali	Non-Executive Nominee Director- MBL
Mr. Rizwan Qamar Lari*	Non-Executive Nominee Director- MBL

* Mr. Rizwan Qamar Lari was appointed as a Director on June 5, 2026 in place of Syed Imran Ali Shah who resigned on May 21, 2026.

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Syed Haseeb Ahmed Shah

BOARD AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Ms. Ayesha Umer	Member
Mr. Rizwan Qamar Lari*	Member

* Mr. Rizwan Qamar Lari was appointed as a member on June 5, 2026 in place of Syed Imran Ali Shah who resigned on May 21, 2026.

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Irfan Siddiqui	Chairman
Mr. Furquan R. Kidwai	Member
Mr. Imtiaz Gadar	Member
Mr. Saad Ur Rahman Khan	Member

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Imtiaz Gadar	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

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

SHARIAH 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

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13,
Bokhari Commercial Area, Phase
VI, DHA, Karachi.

SHARIAH ADVISER

Dr. Muhammad Imran Usmani
Jamia Darul Uloom Karachi
Korangi Industrial Area
Karachi - 75180

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

TRANSFER AGENT

Al Meezan Investment Management Limited

BANKERS TO THE FUND

1. Al Baraka Bank Pakistan Limited
2. Bank Islami Pakistan Limited
3. Habib Metropolitan Bank Limited - Islamic Banking
4. Meezan Bank Limited



Pure. Profit.



REPORT OF THE FUND MANAGER MEEZAN ASSET ALLOCATION FUND (MAAF)

Type of Fund

Asset Allocation category fund that invests in Shariah compliant listed equity securities and listed or unlisted Islamic fixed income products.

Objective

The objective of Meezan Asset Allocation Fund (MAAF) is to earn a potentially high return through asset allocation between Shariah Compliant Equity Instruments, Shariah Compliant Fixed Income Instruments, Shariah Compliant Money Market Instruments and any other Shariah Compliant instrument as permitted by the SECP and Shariah Advisor.

Investment Policy and Strategy

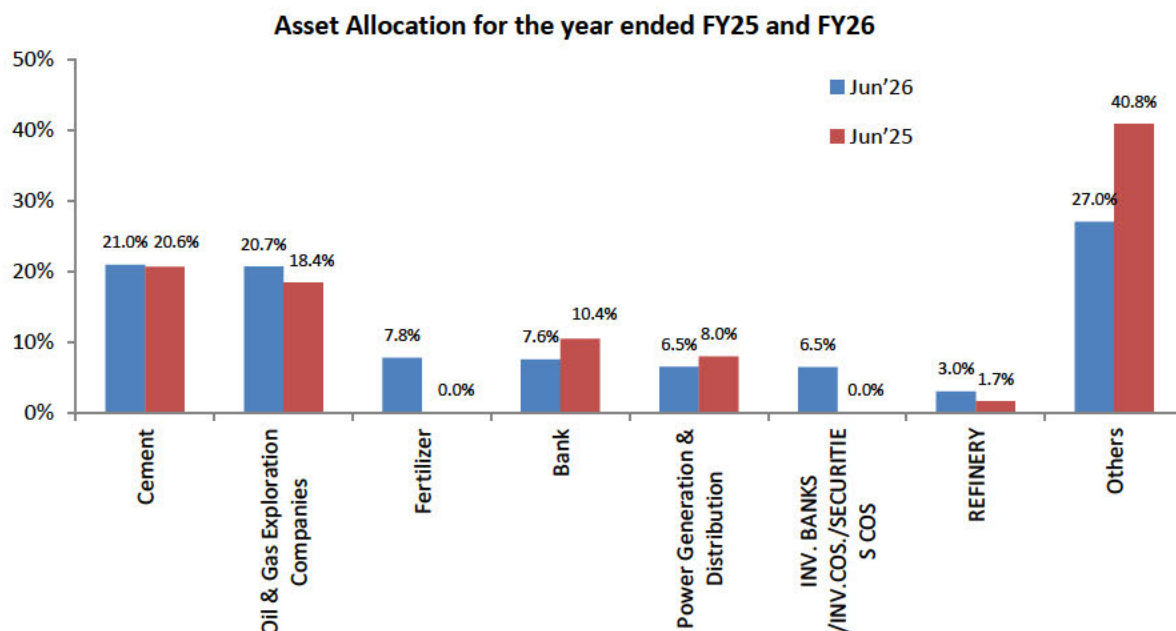
Based on the Fund Manager's outlook on asset classes, the allocation of the portfolio will actively be managed between the Equity asset classes and Fixed Income/Money Market asset classes in line with the macroeconomic view and outlook of such asset classes. For exposure to equities, this fund shall primarily be invested in Listed Islamic Equity while for exposure to Fixed Income/Money Market, the fund shall invest in Islamic Money Market and Islamic Fixed Income instruments as well as in Cash at Bank Accounts of Islamic Banks and licensed Islamic Banking windows of conventional Banks.

To comply with the regulatory limits enforced by the SECP, the fund can take a maximum exposure of up to 90% of its Net Assets in equity or fixed income; in case of an investment in REITs, a limit of 35% has been assigned by the regulator.

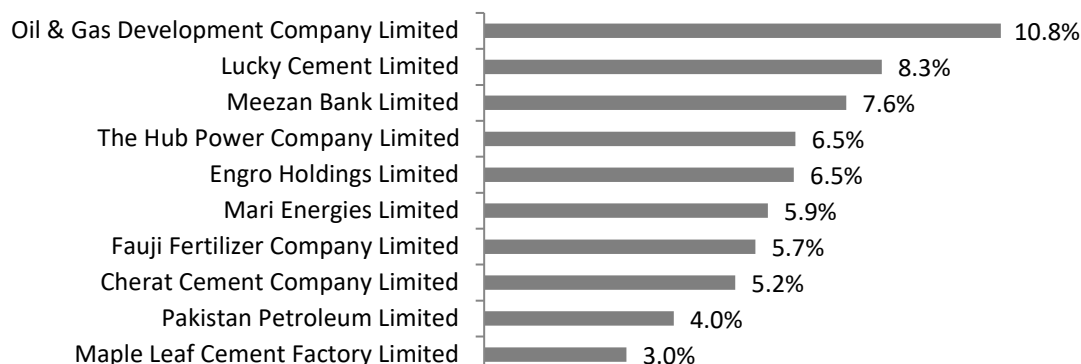
The fund manager looks to earn a higher than average return by actively managing the portfolio between equity and fixed income avenues in line with the movements of the stock market.

Asset Allocation

As on June 30, 2026, the fund's equity exposure was 88.86%, while 11.14% of the Net Assets was invested in bank deposits and Other Receivables.



Top Holdings



Performance Review

During the fiscal year 2026, Meezan Asset Allocation Fund provided a positive return of 24.94% to its investors.

	MAAF	Benchmark
Net Asset Value as on June 30, 2025	95.0216	
Net Asset Value as on June 30, 2026	118.7184	
Change (Points)	23.70	
Return During the Period - Net	24.94%	34.88%
Under performance	14.24%	

Benchmark: Combination of KMI-30 Index, 75% six (6) months PKISRV rates + 25% six (6) months average of the highest rates on saving account of three (3) AA rated scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP, and 90% three (3) months PKISRV rates + 10% three (3) months average of the highest rates on saving account of three (3) AA rated scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP on the basis of actual proportion held by the CIS.

Meezan Asset Allocation Fund posted a total income of Rs. 268 million during FY26 as compared to total income of Rs. 216 million last year. Total income comprised of realized and unrealized income on investments of Rs. 91 million and Rs. 111 million respectively. Dividend income and profit on saving account with banks comprised of Rs. 53 million and 13 million respectively. After accounting for expenses of Rs. 68 million, the fund posted a net income of Rs. 200 million. The net assets of the Fund as at June 30, 2026 were Rs. 1,499 million as compared to Rs. 593 million at the end of last year depicting an increase of 153%.

Charity Statement

The Fund purifies the income earned by setting aside an amount payable by the Management Company out of the income of the Trust to charitable/ welfare organizations, in consultation with Shariah Advisor, representing income that is Haram. During the year ended June 30, 2026 an amount of Rs. 2 million was accrued as charity payable.

Distributions

No interim distribution in the form of cash dividend was made during the fiscal year.



Pure. Profit.

SWWF Disclosure

Not Applicable

Breakdown of unit holdings by size:

(As on June 30, 2026)

Range (Units)	No. of Investors
1 - 9,999	4,381
10,000 - 49,999	123
50,000 - 99,999	16
100,000 - 499,999	8
500,000 and above	2
Total	4,530

Summary of Actual Proxy Voted by the Fund

	Resolutions	For	Against	Abstain
Number	5	5	0	0
Percentage	100%	100%	0%	0%

The proxy voting policy of **Al Meezan Investment Management Limited**, duly approved by Board of Directors of the Management Company, is available on the website www.almeezangroup.com. A detailed information regarding actual proxies voted by the Management Company in respect of funds is also available without charge, upon request, to all unit holders.

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

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN ASSET 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 Asset 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, 2026 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 Securities and Exchange Commission of Pakistan 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 17, 2026

Dr. Muhammad Imran Usmani

Jamia Darul Uloom Karachi

Korangi Industrial Area Karachi, Pakistan

Postal Code 75180

Tel: +92 21 35123225

Fax: +92 21 5040234

Email: miu786@gmail.com

Ref no: IBSA/ESA/26/63

Report of the Shariah Advisor –Meezan Asset Allocation Fund (MAAF)

August 10, 2026/Safar 26, 1448 AH

Alhamdulillah, the period from July 1, 2025 to June 30, 2026 was the **Tenth** year of operations of **Meezan Asset Allocation Fund** (the “MAAF” 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.

In the capacity of Shariah Advisor, Guidelines and policies for Shariah compliant equity investments have been issued to the Fund. Management Company must adhere the guidelines and policies issued by Shariah Advisor. Criteria for Shariah compliance of equity investments includes (i) Nature of business should be *halal*; (ii) Ratio of interest-bearing debt to total assets should be less than 37%; (iii) Ratio of investment in Shariah non-compliant activities to total assets should be less than 33%; (iv) Ratio of Shariah non-compliant income to gross revenue should be less than 5%; (v) Illiquid assets to total assets should be at least 25% and (vi) Market price per share should be at least equal to or greater than net liquid assets per share. In addition to the above criteria, day trading, short sell and trading of right shares (LOR) before subscription are not allowed.

It is also 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 Shariah Advisor’s guidelines.

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, 2026 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.

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

INDEPENDENT ASSURANCE REPORT ON COMPLIANCE WITH THE SHARIAH GOVERNANCE REGULATIONS, 2023

To The Board of Directors of Al Meezan Investment Management Limited

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) – External Shariah Audit of **Meezan Asset Allocation Fund (the Fund)**, for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with the Shariah principles for the year ended June 30, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and an independent Shariah scholar.

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2026) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under:

- a) legal and regulatory framework administered by the SECP;
- b) Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by the SECP;
- c) Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan (ICAP), as notified by the SECP;
- d) guidance and recommendations of the Shariah Advisory Committee, as notified by the SECP; and
- e) approvals, rulings, or pronouncements of Shariah Supervisory Board or the Shariah Advisor of the Islamic financial institution, in line with (a) to (d) above.

Our engagement was carried out as required under Regulation 29 of Chapter VII of the Regulations.

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2026, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its unit holders, other financial institutions, and stakeholders and related policies and procedures are, in substance and legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan (the Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

The firm applies International Standard on Quality Management (ISQM-1) "*Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*", and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles in all material respects for the year ended June 30, 2026, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), '*Assurance Engagements Other than Audits or Reviews of Historical Financial Information*', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design 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. We have designed and performed the necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

6. Conclusion

Based on our reasonable assurance engagement, we report that, in our opinion, the Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2026 are in compliance with the Shariah principles (criteria specified in paragraph 2 above), in all material respects.

The engagement partner on the assurance resulting in this independent assurance report is **Nadeem Yousuf Adil**.



Chartered Accountants

Date: September 15, 2026
Place: Karachi

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Meezan Asset Allocation Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Meezan Asset Allocation Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, statement of movements in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2026, 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 is the key audit matter:

S.No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (NAV) (Refer notes 5 & 6 to the financial statements) Balances with banks and investments constitute the most significant components of the net asset value. Balances with banks aggregated to Rs. 153.76 million and investments of the Fund amounted to Rs. 1,343.14 million as at June 30, 2026. The existence of balances with banks and the existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2026 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: - Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2026 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; - Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and - Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007



Information Other than the Financial Statements and Auditor's Report Thereon

The Management Company (Al Meezan Investment Management Limited) 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 auditor's 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 the Management Company and Board of Directors of Management Company for the Financial Statements

The Management Company (Al Meezan Investment Management Limited) 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, the Management Company 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.

Board of Directors of the Management Company is 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 Company.



- Conclude on the appropriateness of Management Company'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 of the Management Company 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 Board of Directors of the Management Company 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 Board of Directors of the Management Company, 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

Based on our audit, we further report that in our opinion:

- a) the financial statement have been properly prepared in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations 2008;
- b) proper books and records have been kept by the Collective Investment Scheme or the financial statements prepared are in agreement with the books and records of Collective Investment Scheme; and
- c) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Khattab Muhammad Akhi Baig**.

A.F. Ferguson & Co.

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 18, 2026

UDIN: AR202610081kmRYVPBqA

MEEZAN ASSET ALLOCATION FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026 ----- (Rupees in '000) -----	2025 ----- (Rupees in '000) -----
Assets			
Balances with banks	5	153,759	68,300
Investments	6	1,343,142	524,149
Receivable against conversion of units		5,027	3,619
Dividend receivable		589	394
Advances, deposits and other receivables	7	9,139	6,929
Total assets		1,511,656	603,391
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	8	1,598	497
Payable to Central Depository Company of Pakistan Limited - Trustee	9	230	110
Payable to the Securities and Exchange Commission of Pakistan	10	112	45
Payable to Meezan Bank Limited		68	109
Payable against redemption and conversion of units		3,462	3,368
Payable against purchase of investments		-	2,122
Dividend payable		-	29
Accrued expenses and other liabilities	11	7,159	4,174
Total liabilities		12,629	10,454
Net assets		1,499,027	592,937
Unit holders' fund (as per statement attached)		1,499,027	592,937
Contingencies and commitments	12		
----- (Number of units) -----			
Number of units in issue		12,626,747	6,240,023
----- (Rupees) -----			
Net asset value per unit		118.7184	95.0216

The annexed notes from 1 to 26 form an integral part of these financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN ASSET ALLOCATION FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026**

	Note	2026 ----- (Rupees in '000)	2025 -----
Income			
Dividend income		53,175	19,134
Profit on savings accounts with banks		12,863	4,468
Other income		-	17
Net realised gain on sale of investments		90,886	134,988
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	110,662	57,114
Total income		<u>267,586</u>	<u>215,721</u>
Expenses			
Remuneration of Al Meezan Investment Management Limited - Management Company	8.1	36,534	6,458
Sindh sales tax on remuneration of the Management Company	8.2	5,480	969
Allocated expenses	8.3	-	266
Sindh sales tax on allocated expenses	8.2	-	40
Selling and marketing expenses	8.3	-	2,192
Sindh sales tax on selling and marketing expenses	8.2	-	329
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	2,250	897
Sindh sales tax on remuneration of the Trustee	9.2	337	135
Fee to the Securities and Exchange Commission of Pakistan	10.1	1,231	427
Brokerage expense		16,193	8,260
Charity expense	11.1	2,354	998
Auditor's remuneration	13	1,037	561
Printing expenses		-	40
Fees and subscription expenses		1,263	565
Bank and settlement charges		1,405	966
Legal and professional charges		-	73
Total expenses		<u>68,084</u>	<u>23,176</u>
Net income for the year before taxation		<u>199,502</u>	<u>192,545</u>
Taxation	15	-	-
Net income for the year after taxation		<u>199,502</u>	<u>192,545</u>
Allocation of net income for the year			
Net income for the year after taxation		199,502	192,545
Income already paid on units redeemed		(14,627)	(32,865)
		<u>184,875</u>	<u>159,680</u>
Accounting Income available for distribution			
- Relating to capital gains		184,875	159,680
- Excluding capital gains		-	-
		<u>184,875</u>	<u>159,680</u>

The annexed notes from 1 to 26 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN ASSET ALLOCATION FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026**

	2026	2025
	----- (Rupees in '000) -----	
Net income for the year after taxation	199,502	192,545
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u><u>199,502</u></u>	<u><u>192,545</u></u>

The annexed notes from 1 to 26 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director

MEEZAN ASSET ALLOCATION FUND
STATEMENT OF MOVEMENTS IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2026

	2026			2025		
	Capital Value	Accumulated losses	Total	Capital Value	Accumulated losses	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year	1,173,978	(581,041)	592,937	1,048,480	(736,084)	312,396
Issuance of 26,629,904 units (2025: 10,010,507 units)						
- Capital value (at net asset value per unit at the beginning of the year)	2,530,416	-	2,530,416	607,676	-	607,676
- Element of income	491,683	-	491,683	240,017	-	240,017
Total proceeds on Issuance of units	3,022,099	-	3,022,099	847,693	-	847,693
Redemption of 20,243,180 units (2025: 8,916,722 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(1,923,539)	-	(1,923,539)	(541,279)	-	(541,279)
- Element of loss	(377,345)	(14,627)	(391,972)	(179,365)	(32,865)	(212,230)
Total payments on redemption of units	(2,300,884)	(14,627)	(2,315,511)	(720,644)	(32,865)	(753,509)
Total comprehensive income for the year	-	199,502	199,502	-	192,545	192,545
Refund of capital	-	-	-	(1,551)	-	(1,551)
Distribution during the year	-	-	-	-	(4,637)	(4,637)
Net Income for the year less distribution	-	199,502	199,502	(1,551)	187,908	186,357
Net assets at the end of the year	1,895,193	(396,166)	1,499,027	1,173,978	(581,041)	592,937
Accumulated losses brought forward						
- Realised loss		(638,155)			(803,128)	
- Unrealised income		57,114			67,044	
		(581,041)			(736,084)	
Accounting Income available for distribution						
- Relating to capital gains	184,875			159,680		
- Excluding capital gains	-			-		
	184,875			159,680		
Distribution during the year Nil (2025: Re. 1.00 per unit declared on June 27, 2025)		-			(4,637)	
Accumulated losses carried forward		(396,166)			(581,041)	
Accumulated losses carried forward						
- Realised loss		(506,828)			(638,155)	
- Unrealised income		110,662			57,114	
		(396,166)			(581,041)	
Net asset value per unit at beginning of the year		(Rupees)			(Rupees)	
		95.0216			60.7038	
Net asset value per unit at end of the year		118.7184			95.0216	

The annexed notes from 1 to 26 form an integral part of these financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN ASSET ALLOCATION FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026**

	Note	2026 ----- (Rupees in '000) -----	2025 ----- (Rupees in '000) -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		199,502	192,545
Adjustments for:			
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	(110,662)	(57,114)
Dividend income		(53,175)	(19,134)
Profit on savings accounts with banks		(12,863)	(4,468)
		<u>22,802</u>	<u>111,829</u>
Increase in assets			
Investments - net		(710,453)	(187,217)
Advances, deposits and other receivables		(2,210)	(2,952)
		<u>(712,663)</u>	<u>(190,169)</u>
Increase / (decrease) in liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		1,101	(138)
Payable to Central Depository Company of Pakistan Limited - Trustee		120	23
Payable to the Securities and Exchange Commission of Pakistan		67	21
Payable to Meezan Bank Limited		(41)	73
Accrued expenses and other liabilities		2,985	(1,037)
		<u>4,232</u>	<u>(1,058)</u>
Dividend received		52,980	19,077
Profit received on savings accounts with banks		12,863	4,739
		<u>64,843</u>	<u>23,816</u>
Net cash used in operating activities		<u>(619,786)</u>	<u>(55,582)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units - net of refund of capital		3,020,691	842,569
Payment against redemption and conversion of units		(2,315,417)	(750,141)
Dividend paid		(29)	(6,199)
Net cash generated from financing activities		<u>705,245</u>	<u>86,229</u>
Net increase in cash and cash equivalents during the year		<u>85,459</u>	<u>30,647</u>
Cash and cash equivalents at the beginning of the year		68,300	37,653
Cash and cash equivalents at the end of the year	5.3	<u><u>153,759</u></u>	<u><u>68,300</u></u>

The annexed notes from 1 to 26 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director

MEEZAN ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Asset Allocation Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed under the Trust Act, 1882 on November 25, 2015 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 16, 2015 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

In the year 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act). The Fund was required to be registered under the Sindh Trust Act. Accordingly, on September 3, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

- 1.2** The objective of the Fund is to earn potentially high return through asset allocation between Shariah Compliant Equity Instruments, Shariah Compliant Fixed Income Instruments, Shariah Compliant Money Market Instruments and any other Shariah Compliant instruments as permitted by the SECP and the Shariah Advisor. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund is in compliance with the principles of Shariah.
- 1.3** The Fund is an open ended Shariah Compliant Asset Allocation Scheme. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4** The Management Company has been assigned an 'AM1' quality rating by VIS Credit Rating Company Limited dated January 22, 2026 (2025: 'AM1' dated December 31, 2024) and by PACRA dated May 15, 2026 (2025: 'AM1' dated May 15, 2025). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are accounted for on substance rather than form in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor. 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. Accounting and reporting standards applicable in Pakistan comprise of:

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

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

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting year beginning on July 1, 2025. However, these do not have any material impact on the Fund's financial statements and, therefore, have not been detailed in these financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) effective for annual periods beginning on or after January 1, 2027. IFRS 18 when applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers effective for annual periods beginning on or after January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial assets and financial liabilities.

The management is in the process of assessing the impacts of the new standards and amendments on the financial statements of the Fund.

3.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity 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. These 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 and valuation of financial assets (notes 4.1 and 6).

3.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified 'at fair value through profit or loss' which are measured at their respective fair values. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets has been disclosed in note 19.

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. MATERIAL ACCOUNTING POLICY INFORMATION

The material 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 Financial assets

4.1.1 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' (FVPL) are initially recognised at fair value and transaction costs are recognised in the Income Statement.

4.1.2 Classification and subsequent measurement

4.1.2.1 Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the "Statement of Assets and Liabilities" at fair value, with gains and losses recognised in the "Income Statement", except where an irrevocable election has been made at the time of initial recognition to measure the investment at Fair Value through Other Comprehensive Income (FVOCI). The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the Income Statement.

4.1.2.2 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost.

These comprise balances with banks in savings and current accounts.

4.1.3 Impairment

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost. 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.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

4.1.4 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.

Up to February 8, 2026, regular way purchases / sales of assets required delivery of securities within two days from the transaction date (T+2) as per the stock exchange regulations. Effective from February 9, 2026, in accordance with the revised regulations of the Pakistan Stock Exchange (PSX), the settlement cycle has transitioned to a Trade plus one day (T+1) basis, requiring delivery of securities within one day from the transaction date.

4.1.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, the Fund has transferred substantially all the risks and rewards of ownership or the Fund neither transfers nor retains substantially all the risks and rewards of ownership and the Fund has not retained control. Any gain or loss on derecognition of financial assets is taken to the 'Income Statement'.

4.2 Financial liabilities

4.2.1 Classification and subsequent measurement

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.

4.2.2 Derecognition

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.

4.3 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.

Income and expenses are presented on a net basis only when permitted by the accounting and reporting standards as applicable in Pakistan.

4.4 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.

4.5 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.

4.6 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 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.

4.7 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.

4.8 Element of income / (loss) on issuance / (redemption) of units

Element of income / (loss) represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income / (loss) 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 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.

4.9 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement and are recognised on 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 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 date of book closure of the investee company / institution declaring the dividend; and
- Profit on savings accounts with banks is recognised on a time proportion basis using the effective yield method.

4.10 Treatment of shariah non-compliant income

Dividend income earned by the Fund may contain shariah non-compliant income. The Fund is required to "purify" the dividend it receives by excluding the element of impermissible income and appropriating it to charity. The purification is carried out in accordance with the guidelines approved by the Shariah Advisor of the Fund. Any amount appropriated to charity has been recorded as an expense in the 'Income Statement' in the financial statements of the Fund.

4.11 Expenses

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

4.12 Taxation

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.

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 (i) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

	Note	2026 ----- (Rupees in '000) -----	2025 ----- (Rupees in '000) -----
5 BALANCES WITH BANKS			
Balances with banks in:			
Savings accounts	5.1	153,754	65,338
Current accounts	5.2	5	2,962
		<u>153,759</u>	<u>68,300</u>
5.1	This includes a balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 6.75% (2025: 3.25%) per annum. Other savings accounts of the Fund have expected profit rates ranging from 7.00% to 11.50% (2025: 4.82% to 10.60%) per annum.		
5.2	These include a balance of Rs. 5,000 (2025: Rs. 802,195) maintained with Meezan Bank Limited (a related party).		
	Note	2026 ----- (Rupees in '000) -----	2025 ----- (Rupees in '000) -----
5.3 Cash and cash equivalents			
Balances with banks	5	<u>153,759</u>	<u>68,300</u>
6. INVESTMENTS			
At fair value through profit or loss			
Investment in equity securities - listed	6.1	<u>1,343,142</u>	<u>524,149</u>

MEEZAN ASSET ALLOCATION FUND - ANNUAL REPORT JUNE - 2026

Name of the investee company	As at July 1, 2025	Purchased during the year	Sold / transfers during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised appreciation/ (diminution) as at June 30, 2026	Percentage in relation to		
								Net assets of the Fund	Total market value of investments*	Paid-up capital of investee company (with face value of investment)
				(Number of shares)		(Rupees in '000)				
Oil & Gas Marketing Companies										
Attock Petroleum Limited	-	55,000	55,000	-	-	-	-	-	-	-
Pakistan State Oil Company Limited	128,456	370,000	456,000	42,456	16,501	14,535	(1,966)	0.97	1.08	0.01
Sitara Petroleum Service Limited	-	480,958	480,958	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	251,798	686,891	767,352	171,337	18,115	20,720	2,605	1.38	1.54	0.03
Sui Southern Gas Company Limited	100,000	650,000	750,000	-	-	-	-	-	-	-
								2.35	2.62	0.04
Transport										
Pakistan International Bulk Terminal Limited	-	3,400,000	3,400,000	-	-	-	-	-	-	-
Leather & Tanneries										
Service Global Footwear Limited	-	75,000	75,000	-	-	-	-	-	-	-
Service Industries Limited *	-	18,200	4,176	14,024	31,645	32,827	1,182	2.19	2.44	-
								2.19	2.44	-
Paper, Board & Packaging										
Century Paper & Board Mills Limited	-	100,000	100,000	-	-	-	-	-	-	-
Cherat Packaging Limited	-	50,000	50,000	-	-	-	-	-	-	-
Packages Limited	13,616	8,470	22,086	-	-	-	-	-	-	-
								-	-	-
Inv. Banks / Inv. Cos. / Securities Cos.										
Engro Holdings Limited	-	1,103,668	763,732	339,936	93,367	97,806	4,439	6.52	7.28	0.03
Pharmaceuticals										
AGP Limited	37,000	206,000	243,000	-	-	-	-	-	-	-
Citi Pharma Limited	34,000	-	34,000	-	-	-	-	-	-	-
GlaxoSmithKline Pakistan Limited*	-	145,663	103,019	42,644	15,741	15,789	48	1.05	1.18	0.01
Abbott Laboratories (Pakistan) Limited	-	15,000	15,000	-	-	-	-	-	-	-
Haleon Pakistan Limited	5,978	36,000	41,978	-	-	-	-	-	-	-
Highnoon Laboratories Limited	4,903	40,432	27,404	17,931	16,285	17,979	1,694	1.20	1.34	0.03
								2.25	2.51	0.04
Power Generation & Distribution										
The Hub Power Company Limited	234,131	1,200,000	1,013,000	421,131	87,255	98,313	11,058	6.56	7.32	0.03
K-Electric Limited (note 6.1.1)	3,010,732	8,500,000	11,510,732	-	-	-	-	-	-	-
								6.56	7.32	0.03
INSURANCE										
Pak-Qatar General Takaful Limited	-	149,401	149,401	-	-	-	-	-	-	-
Refinery										
Attock Refinery Limited	15,000	141,100	133,000	23,100	20,262	19,650	(612)	1.31	1.46	0.02
Cnergyco PK Limited	-	1,500,000	750,000	750,000	6,504	6,128	(376)	0.41	0.46	0.01
Pakistan Refinery Limited	-	1,950,000	1,385,000	565,000	19,476	20,154	678	1.34	1.50	0.09
National Refinery Limited	-	65,000	65,000	-	-	-	-	-	-	-
								3.06	3.42	0.12
Technology and Communication										
Supernet Limited (note 6.1.2)	399,462	8,000	407,462	-	-	-	-	-	-	-
Systems Limited (note 6.1.1)	-	1,273,466	1,167,588	105,878	16,199	15,574	(625)	1.04	1.16	0.04
								1.04	1.16	0.04
Cable & Electrical Goods										
Pak Elektron Limited	-	1,500,000	1,500,000	-	-	-	-	-	-	-
Textile Composite										
Gul Ahmed Textile Mills Limited	-	400,000	400,000	-	-	-	-	-	-	-
Interloop Limited	-	170,000	20,000	150,000	14,765	16,131	1,366	1.08	1.20	0.01
Kohinoor Textile Mills Limited	-	125,000	125,000	-	-	-	-	-	-	-
Nishat Mills Limited	-	150,000	150,000	-	-	-	-	-	-	-
								1.08	1.20	0.01
Total as at June 30, 2026					1,232,480	1,343,142	110,662	89.60	100.00	
Total as at June 30, 2025					467,035	524,149	57,114	88.42	100.00	

* Nil figures due to rounding off

6.1.1 All shares have a nominal value of Rs.10 each except for the shares of following:

Name of the investee company	Nominal value per share as on June 30, 2026 (Rs.)	Subdivision of share during the year	Additional number of shares received on account of subdivision of shares during the year
Agriauto Industries Limited	5.00	-	-
National Foods Limited	5.00	-	-
K-Electric Limited	3.50	-	-
Lucky Cement Limited	2.00	-	-
Systems Limited	2.00	-	-
Lucky Core Industries Limited	2.00	On July 18, 2025 from Rs.10 to Rs.2 per share	18,300
Kohat Cement Company Limited	2.00	On August 22, 2025 from Rs. 10 to Rs.2 per share	167,388

6.1.2 Investments include 8,100 shares of Lucky Cement Limited, 49,500 shares of Mari Energies Limited and 115,000 shares of Oil & Gas Development Company Limited, having market value of Rs. 3.803 million, Rs. 33.377 million, Rs. 38.510 million respectively as at June 30, 2026 (2025: 25,000 shares of Supernet Limited, 8,100 shares of Lucky Cement Limited, 20,000 shares of Mari Energies Limited and 50,000 shares of Oil & Gas Development Company Limited, having market value of Rs. 0.995 million, Rs. 2.877 million, Rs. 12.538 million and Rs. 11.028 million respectively) which have been pledged as collateral in favor of National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

6.1.3 The Finance Act, 2023 had introduced Section 236Z of the Income Tax Ordinance, 2001 (ITO) effective from July 1, 2023, which mandates listed companies to withhold ten percent shares out of bonus shares issued to the Fund. The shares so withheld are to be released if the Fund deposits tax equivalent to ten percent of the value of bonus shares issued to the Fund. Such tax is to be deposited within fifteen days of the book closure of the respective dividend. In case of failure of the Fund to pay, the issuer company is liable to pay the tax and dispose off the bonus shares to recover the amount paid.

In this regard, a petition was filed by the Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CIS. The petition is based on the grounds that since the CISs are exempt from levy of income tax in terms of clause 99 of Part-I of the Second Schedule to the ITO, no tax is payable by the Fund under Section 236Z of the ITO. In this regard, the Honourable High Court of Sindh has issued notices to the relevant parties and ordered to retain the bonus shares being withheld and no tax shall be paid under section 236Z of the ITO till further orders of the Court. The matter is still pending adjudication and the Fund has included these shares in the portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

As at June 30, 2026, Mari Energies Limited has withheld 6,477 shares from the bonus shares issued to the Fund. The market value of bonus shares withheld amounts to Rs. 4.37 million as at June 30, 2026.

6.1.4 On May 29, 2026, Pakistan Stock Exchange (PSX) issued a notice bearing serial PSX/N-659 regarding the recomposition exercise carried out by PSX on KMI All Share Islamic Index. In the stated notice, National Foods Limited was declared as shariah non-compliant of the Index. However, these shares were shariah compliant according to the KMI All Share Islamic Index at the time of investment. The Fund may retain these previously purchased shares until the next two quarters after shariah status is updated.

6.2	Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	Note	2026 ———— (Rupees in '000) ————	2025 ———— (Rupees in '000) ————
	Market value of investments	6.1	1,343,142	524,149
	Less: Carrying value of investments	6.1	(1,232,480)	(467,035)
			<u>110,662</u>	<u>57,114</u>

7 **ADVANCES, DEPOSITS AND OTHER RECEIVABLES**

Security deposit with:

- Central Depository Company of Pakistan Limited (CDC)		100	100
- National Clearing Company of Pakistan Limited (NCCPL)		2,512	1,012
Advance tax	7.1	2,470	2,470
Receivable against withholding of bonus shares	7.2	2,952	2,952
Profit Receivable		1,105	395
		<u>9,139</u>	<u>6,929</u>

- 7.1** As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, during the year ended June 30, 2024, withholding tax on dividend paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-86417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on dividends amounts to Rs. 2.470 million (2025: Rs. 2.470 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividends and profit on bank deposits has been shown as other receivables as at June 30, 2026 in the opinion of the Management Company, the amount of tax deducted at source will be refunded.

- 7.2** The Finance Act, 2014 introduced amendments to the Income Tax Ordinance, 2001 (ITO) as a result of which issuing companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the Honourable High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by the CISs based on the fact that CISs are exempt from deduction of income tax under Clause 99 Part I of Second Schedule of the ITO. In the year 2018, the Supreme Court of Pakistan passed a judgement wherein the suits that are already pending or shall be filed in future must only be continued / entertained if the condition of depositing a minimum of 50 percent of the tax calculated is met. Accordingly, CISs were required to pay the minimum 50 percent of tax, but a failure to do so on their part resulted in vacation of the stay obtained.

During the year ended June 30, 2020, the CISs filed a fresh petition via CP 4653 dated July 11, 2019 in the Honourable High Court of Sindh. In this regard, on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication.

As at June 30, 2026, the Fund has recorded an amount of Rs. 2.952 million as receivables against withholding tax on bonus shares in respect of bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares.

8	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2026	2025
			(Rupees in '000)	
	Remuneration payable	8.1	918	201
	Sindh sales tax payable on remuneration of the Management Company	8.2	138	30
	Sales load payable		439	231
	Sindh sales tax payable on sales load	8.2	66	35
	IBFT charges payable to the Management Company		37	-
			<u>1,598</u>	<u>497</u>

- 8.1** As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document and subject to the capping ranging from 1% - 3% to be calculated on a weighted average basis, based on allocation of average daily net assets applicable to a 'Hybrid Scheme'. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2.70% to 3.00% (2025: 2.00% - 2.50%) per annum of the average daily net assets of the Fund during the year ended June 30, 2026. The remuneration is payable to the Management Company monthly in arrears.
- 8.2** Sindh sales tax is levied at the rate of 15% under the Sindh Sales Tax on Services Act, 2011 (2025: 15%) on the Management Company's remuneration and any reimbursable expenditure to the Management Company.
- 8.3** The SECP, vide S.R.O.600(1)/2025 dated April 10, 2025, issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to selling and marketing and registrar services, accounting, operation and valuation services has been excluded.

The Management Company in pursuance of the above requirement did not charge the above-mentioned expenses in the year ended June 30, 2026.

During the year ended June 30, 2025, the Management Company has charged expenses related to selling and marketing at rates ranging from 0.4% - 0.8% of the average annual net assets of the Fund and in relation to registrar services, accounting, operation and valuation services at the rate of 0.07% of the average annual net assets of the Fund.

9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2026 ----- (Rupees in '000) -----	2025 ----- (Rupees in '000) -----
	Remuneration payable	9.1	200	96
	Sindh sales tax payable on remuneration of the Trustee	9.2	30	14
			<u>230</u>	<u>110</u>

- 9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as follows:

Net Assets	Fee
Up to Rs.1 billion	0.2% per annum of net assets.
Over Rs.1 billion	Rs. 2 million plus 0.1% per annum of net assets, exceeding Rs. 1 billion.

- 9.2 Sindh sales tax is levied at the rate of 15% under the Sindh Sales Tax on Services Act, 2011 (2025: 15%) on the Trustee remuneration.

10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2026 ----- (Rupees in '000) -----	2025 ----- (Rupees in '000) -----
	Fee payable	10.1	<u>112</u>	<u>45</u>

- 10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.095% per annum (2025: 0.095%) of the daily net assets during the year. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

11	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2026 ----- (Rupees in '000) -----	2025 ----- (Rupees in '000) -----
	Auditor's remuneration payable		655	585
	Brokerage payable		1,995	545
	Shariah advisor fee payable		273	413
	Shariah audit fee payable		175	-
	Charity payable	11.1	3,227	884
	Withholding tax payable		-	755
	Provision for Federal Excise Duty on:			
	- Remuneration of the Management Company	11.2	482	482
	- Sindh sales tax on sales load	11.2	145	145
	Capital gain tax payable		172	352
	Other payable		-	13
	Zakat payable		35	-
			<u>7,159</u>	<u>4,174</u>

- 11.1 As instructed by the Shariah Advisor, any income earned by the Fund from investments in which a portion of the investee company's investment has been placed in shariah non-compliant avenues should be donated directly by the Fund for charitable purposes.

Accordingly, during the year ended June 30, 2026, non-shariah compliant income amounting to Rs 2.354 million (2025: Rs 0.998 million) was charged as an expense in the books of the Fund and Rs.0.069 million was disbursed to following charitable / welfare organisations:

S. No.	Charitable Organisations	Amount Rupees in '000
1	Chiniot Anjuman Islamia	42
2	Childlife Foundation	27
	Total	<u>69</u>

The Fund also maintains a separate savings bank account for charitable disbursements. Profit received on this bank account during the year ended June 30, 2026 amounted to Rs. 0.06 million and has been recorded as charity payable.

- 11.2** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16% on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration made was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 0.627 million is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the NAV per unit of the Fund would have been higher by Re. 0.05 (2025: Re. 0.10).

12 CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at June 30, 2026 and June 30, 2025.

	2026	2025
	----- (Rupees in '000) -----	
13 AUDITOR'S REMUNERATION		
Annual audit fee	529	309
Half yearly review fee	322	194
Fee for other certification	103	-
Out of pocket expenses and Sindh sales tax	83	58
	<u>1,037</u>	<u>561</u>

14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2026 is 5.26% (2025: 5.17%) which includes 0.71% (2025: 0.69%) representing government levies on the Fund such as sales taxes, annual fee to the SECP etc.

The SECP, vide S.R.O. 600(I)/2025 dated April 10, 2025, has removed the Total Expense Ratio (TER) limit with effect from July 1, 2025. The TER limit for a collective investment scheme categorised as an 'Asset Allocation Scheme', applicable previously, has been replaced with the management fee cap as disclosed in note 8.1 to these financial statements for a collective investment scheme categorised as an 'Asset Allocation Scheme'.

15 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Fund has not incurred any accounting gains on its income as reduced by capital gains, the requirement to distribute not less than 90% of its accounting income is not applicable for the year ended June 30, 2026. Therefore, 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 (i) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

16 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 16.1** Connected persons and related parties include Al Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee / custodian of the Fund, Meezan Bank Limited being the holding company of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being an associated company of the Management Company, other collective investment schemes / notified entities managed by the Management Company, any person or trust beneficially owning, directly or indirectly, ten percent or more of the capital of the Management Company or ten percent or more of the net assets of the Fund, any person or trust controlled by the same persons as defined herein, any member of the group of which that person or trust forms part and directors or officers of the Management Company or any of their connected persons as specified herein.
- 16.2** Transactions with connected persons essentially comprise issuance 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.
- 16.3** Remuneration payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Offering Document, respectively.
- 16.4** Remuneration payable to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 16.5** The details of balances of the Fund with connected persons / related parties as at the year end and transactions occurred during the year with them are as follows:

Balances as at year end

	2026 ----- (Rupees in '000) -----	2025 ----- (Rupees in '000) -----
Al Meezan Investment Management Limited - Management Company		
Remuneration payable to the Management Company	918	201
Sindh sales tax payable on remuneration of the Management Company	138	30
Sales load payable	439	231
Sindh sales tax on sales load payable	66	35
Investments of 2,889,528 units (2025: Nil units)	343,040	-
IBFT charges payable to the Management Company	37	-
Meezan Bank Limited		
Sales load payable	59	95
Sindh sales tax on sales load payable	9	14
Bank balances	95,299	28,935
Profit receivable on savings account	530	190
Investment in 221,351 shares (2025: 153,698 shares)	114,319	51,035
Shariah advisor fee payable	273	413
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	200	96
Sindh sales tax on Trustee fee payable	30	14
Security deposit with Central Depository Company of Pakistan Limited	100	100
National Clearing Company of Pakistan Limited		
Security deposit with National Clearing Company of Pakistan Limited	2,512	1,012
Directors and their close family members and key management personnel of the Management Company		
Investment of 3,933 units (2025: 4,044 units)	467	384
Unit holders holding 10% or more of units of the Fund		
Investment of 1,586,263 units (2025: 1,586,263 units)	188,319	150,729

Transactions during the year

	2026	2025
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the year	36,534	6,458
Sindh sales tax on remuneration of the Management Company	5,480	969
Allocated expenses	-	266
Sindh sales tax on allocated expenses	-	40
Selling and marketing expenses	-	2,192
Sindh sales tax on selling and marketing expenses	-	329
Units issued: 3,704,380 units (2025: 359,777 units)	402,000	30,000
Units redeemed: 814,852 units (2025: 359,777 units)	100,000	30,245
Units issued to unitholder on behalf of the Management Company	-	2,266
Meezan Bank Limited		
Profit on savings accounts with banks	6,224	806
Purchase of 483,653 shares (2025: 542,900 shares)	219,801	131,898
Sale of 416,000 shares (2025: 493,500 shares)	185,180	120,842
Shariah advisor fee	690	533
Dividend income	4,587	4,025
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee for the year	2,250	897
Sindh sales tax on Trustee fee	337	135
CDS charges for the year	410	184
Directors and their close family members and key management personnel of the Management Company		
Units issued: 14,905 units (2025: 339,089 units)	1,689	30,955
Units redeemed: 15,016 units (2025: 335,043 units)	1,696	31,179
Dividend paid	-	4
Ghandhara Tyre & Rubber Company Limited		
Purchase of Nil shares (2025: 175,000 shares)	-	7,631
Sale of Nil shares (2025: 175,000 shares)	-	8,186
Engro Fertilizers Limited*		
Purchase of Nil shares (2025: 297,377)	-	60,721
Sale of Nil shares (2025: 297,377)	-	62,672
Dividend income	-	1,088
National Clearing Company of Pakistan Limited		
NCCPL charges	934	577
Unit holders holding 10% or more of units of the Fund		
Units issued: Nil (2025: 16,674 units)	-	1,712
Dividend paid	-	1,336

* Current year balance and transactions have not been presented as the person was not classified as a related party / connected person of the Fund with effect from March 24, 2025.

17 FINANCIAL INSTRUMENTS BY CATEGORY

	2026		
	At amortised cost	At fair value through profit or loss	Total
	(Rupees in '000)		
Financial assets			
Balances with banks	153,759	-	153,759
Investments	-	1,343,142	1,343,142
Receivable against conversion of units	5,027	-	5,027
Dividend receivable	589	-	589
Deposits and other receivables	3,717	-	3,717
	<u>163,092</u>	<u>1,343,142</u>	<u>1,506,234</u>
Financial liabilities			
Payable to Al Meezan Investment Management Company- Management Company	1,598	-	1,598
Payable to Central Depository Company Of Pakistan Limited - Trustee	230	-	230
Payable against redemption and conversion of units	3,462	-	3,462
Payable to Meezan Bank Limited	68	-	68
Accrued expenses and other liabilities	3,098	-	3,098
	<u>8,456</u>	<u>-</u>	<u>8,456</u>
Net Financial assets	<u>154,636</u>	<u>1,343,142</u>	<u>1,497,778</u>
	2025		
	At amortised cost	At fair value through profit or loss	Total
	Rupees in '000		
Financial assets			
Balances with banks	68,300	-	68,300
Investments	-	524,149	524,149
Receivable against conversion of units	3,619	-	3,619
Dividend receivable	394	-	394
Deposits and other receivables	1,507	-	1,507
	<u>73,820</u>	<u>524,149</u>	<u>597,969</u>
Financial liabilities			
Payable to Al Meezan Investment Management Company- Management Company	497	-	497
Payable to Central Depository Company Of Pakistan Limited - Trustee	110	-	110
Payable against redemption and conversion of units	3,368	-	3,368
Payable to Meezan Bank Limited	109	-	109
Payable against purchase of investment	2,122	-	2,122
Dividend Payable	29	-	29
Accrued expenses and other liabilities	1,556	-	1,556
	<u>7,791</u>	<u>-</u>	<u>7,791</u>
Net financial assets	<u>66,029</u>	<u>524,149</u>	<u>590,178</u>

18 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.

18.1 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 profit rates. As of June 30, 2026, 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 for the year and net assets of the Fund would have been higher / lower by Rs. 1.54 million (2025: Rs. 0.65 million).

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, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

(ii) Currency risk

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

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from 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 is exposed to equity price risk on investments held by the Fund and classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed. The NBFC Regulations also limit individual equity securities to no more than 15% of net assets and issued capital of the investee company and sector exposure limit to 40% of the net assets of the Fund.

In case of 1% increase / decrease in KMI All Share index on June 30, 2026, with all other variables held constant, the total income of the Fund for the year would increase / decrease by Rs. 13.169 million (2025: Rs. 5.241 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'.

The analysis is based on the assumption that equity index had increased / decreased by 1% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI All Share Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI All Share Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI All Share Index.

18.2 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 settlement of equity securities and 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.

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, 2026.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining year at the end of the reporting year 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:

2026						
Within 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 five years	Financial instruments with no fixed maturity	Total
(Rupees In '000)						
Financial assets						
Balances with banks	153,759	-	-	-	-	153,759
Investments	-	-	-	-	1,343,142	1,343,142
Dividend receivable	589	-	-	-	-	589
Receivable against conversion of units	5,027	-	-	-	-	5,027
Deposits and other receivables	1,105	-	-	-	2,612	3,717
	160,480	-	-	-	1,345,754	1,506,234
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	1,598	-	-	-	-	1,598
Payable to Central Depository Company of Pakistan Limited - Trustee	230	-	-	-	-	230
Payable against redemption and conversion of units	3,462	-	-	-	-	3,462
Payable to Meezan Bank Limited	68	-	-	-	-	68
Accrued expenses and other liabilities	2,030	830	273	-	-	3,133
	7,388	830	273	-	-	8,491
Net financial assets / (liabilities)	153,092	(830)	(273)	-	1,345,754	1,497,743

2025						
Within 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 five years	Financial instruments with no fixed maturity	Total
(Rupees In '000)						
Financial assets						
Balances with banks	68,300	-	-	-	-	68,300
Investments	-	-	-	-	524,149	524,149
Receivable against conversion of units	3,619	-	-	-	-	3,619
Dividend receivable	394	-	-	-	-	394
Deposits and other receivables	395	-	-	-	1,112	1,507
	72,708	-	-	-	525,261	597,969
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	497	-	-	-	-	497
Payable to Central Depository Company of Pakistan Limited - Trustee	110	-	-	-	-	110
Payable against redemption and conversion of units	3,368	-	-	-	-	3,368
Payable to Meezan Bank Limited	109	-	-	-	-	109
Payable against purchase of investment	2,122	-	-	-	-	2,122
Dividend payable	29	-	-	-	-	29
Accrued expenses and other liabilities	558	585	413	-	-	1,556
	6,793	585	413	-	-	7,791
Net financial assets / (liabilities)	65,915	(585)	(413)	-	525,261	590,178

18.3 Credit risk

- 18.3.1** 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, profit receivable on bank deposits, receivable against sale of investments and dividend receivable.

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:

	2026		2025	
	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	153,759	153,759	68,300	68,300
Investments	1,343,142	-	524,149	-
Receivable against conversion of units	5,027	5,027	3,619	3,619
Dividend receivable	589	589	394	394
Deposits and other receivables	3,717	3,717	1,507	1,507
	<u>1,506,234</u>	<u>163,092</u>	<u>597,969</u>	<u>73,820</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets. Investment in equity securities, however, are not exposed to credit risk and have been excluded from the above analysis.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

18.3.2 Credit quality of financial assets

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

Rating	% of financial assets exposed to credit risk	
	2026	2025
AAA	84.00	42.40
AA+	-	55.09
AA	-	0.08
A+	-	-
AA-	16.00	2.43
	<u>100.00</u>	<u>100.00</u>

18.3.3 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, 2026 and June 30, 2025 are unsecured and are not impaired.

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, 2026 and June 30, 2025, the Fund held the following financial instruments measured at fair values:

ASSETS	2026			
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Financial assets 'at fair value through profit or loss'				
Investment in equity securities - listed	1,343,142	-	-	1,343,142
ASSETS	2025			
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Financial assets 'at fair value through profit or loss'				
Investment in equity securities - listed	524,149	-	-	524,149

Valuation technique used in determination of fair value is as follows:

Item	Valuation technique
Investment in equity securities - listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.

There were no transfers between levels during the year.

20 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 Movements 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 was in compliance with the requirement of minimum fund size at all times during the year.

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

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

21 UNIT HOLDING PATTERN OF THE FUND

Category	2026		
	Number of unit holders	Investment amount	Percentage of total investment
(Rupees in '000)			
Individuals	4,506	1,062,183	70.86%
Associated Companies	1	343,040	22.88%
Retirement Funds	15	66,171	4.42%
Others	8	27,633	1.84%
	4,530	1,499,027	100.00%

Category	2025		
	Number of unit holders	Investment amount	Percentage of total investment
	(Rupees in '000)		
Individuals	2,937	514,123	86.71%
Public / Private Companies	5	14,292	2.41%
Retirement Funds	18	55,873	9.42%
Others	12	8,649	1.46%
	<u>2,972</u>	<u>592,937</u>	<u>100.00%</u>

22 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2026		2025	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Standard Capital Sec (Private) Limited	8.60%	Standard Capital Sec (Private) Limited	10.46%
Taurus Securities Limited	7.80%	Taurus Securities Limited	8.96%
Topline Securities Limited	7.44%	Ismail Iqbal Securities (Private) Limited	6.15%
JS Global Capital Limited	6.81%	JS Global Capital Limited	5.35%
Spectrum Securities Limited	5.39%	Aba Ali Habib Securities (Pvt) Limited	4.89%
Rafi Securities	5.16%	Next Capital Limited	4.82%
Dalal Securities (Pvt) Limited	3.82%	Chase Securities Pakistan (Pvt.) Limited	4.42%
Foundation Securities	3.70%	AKIK Capital Private Limited	4.22%
Intermarket Securities Limited	3.57%	Rafi Securities	4.16%
AKD Securities Limited	3.55%	Fawad Yousuf Securities	3.97%

23 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Name	Designation	Qualifications	Overall experience
Mr. Imtiaz Gadar, CFA	Chief Executive Officer	CFA / MBA	Twenty Three years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Thirty years
Mr. Ahmed Hassan	Head of Equity	CFA / MBA	Nineteen years
Ms. Amreen Soorani	Head of Research	FCCA	Sixteen years
Mr. Faizan Saleem	Head of Fixed Income	CFA level II / MBA	Nineteen years
Mr. Asif Imtiaz	VP Investments / Fund Manager	CFA / MBA	Eighteen years
Mr. Akhtar Munir	Head of Risk Management	CFA / FRM, ACCA, FCMA & MBA	Thirteen years
Mr. Ali Hassan Khan	Head of Product Development	CFA / FRM / MBA	Seventeen years
Mr. Wahaj Ahmed	VP Investments	MBA	Fourteen years
Mr. Saad Idrees	Senior Manager	MS Economics	Six years
Mr. Zohaib Jawaid	Senior Manager	CFA / BBA	Five years

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

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

24 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				Total Meetings Attendance
		August 18, 2025	October 28, 2025	January 30, 2026	April 13, 2026	
Mr. Irfan Siddiqui	Chairman	Yes	Yes	Yes	Yes	4
Ms. Ayesha Umer	Non-Executive	Yes	Yes	Yes	Yes	4
Ms. Danish Zuberi	Independent Director	Yes	Yes	Yes	Yes	4
Mr. Feroz Rizvi	Independent Director	Yes	Yes	Yes	Yes	4
Mr. Furquan Kidwai	Independent Director	Yes	Yes	Yes	Yes	4
Mr. Imtiaz Gadar	Chief Executive Officer	Yes	Yes	Yes	Yes	4
Mr. Saad Ur Rahman Khan	Non-Executive	Yes	Yes	Yes	Yes	4
Ms. Shazla Khurram	Non-Executive	Yes	Yes	Yes	Yes	4
Dr. Syed Amir Ali	Non-Executive	Yes	Yes	No	Yes	3
Syed Imran Ali Shah*	Non-Executive	Yes	Yes	Yes	Yes	4

* Syed Imran Ali Shah resigned from the Board on May 21, 2026.

25 GENERAL

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

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 18, 2026 by the Board of Directors of the Management Company.

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

Chief Executive Officer

Chief Financial Officer

Director

PERFORMANCE TABLE
MEEZAN ASSET ALLOCATION FUND

	2026	2025	2024
Net assets (Rs. '000) (ex-distribution)	1,499,027	592,937	312,396
Net assets value / redemption price per unit as at June 30 (Rs.) (ex-distribution)	118.7184	95.0216	60.7038
Offer price per unit as at June 30, (Rs.) (ex-distribution)	122.8141	98.2998	62.7616
Highest offer price per unit (Rs.)	131.2219	98.9576	66.6224
Lowest offer price per unit (Rs.)	98.7897	60.3763	41.2082
Highest redemption price per unit (Rs.)	126.8458	95.6575	64.8340
Lowest redemption price per unit (Rs.)	95.4952	58.3628	39.8571
Distribution (%)			
Interim	-	2.00%	6.50%
Final			
Date of distribution			
Interim	-	27-Jun-25	28-Jun-24
Final			
Income distribution (Rupees in '000)	-	4,637	14,858
Growth distribution (Rupees in '000)			
Total return (%)	24.94	58.21	60.44

	One Year	Two Years	Three Years
Average annual return as at June 30, 2026 (%)	24.94	40.59	46.92

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

MEEZAN DYNAMIC ASSET ALLOCATION FUND

ACTIVE ALLOCATION | ADAPTIVE POSITIONING

INVESTMENT OBJECTIVE

To seek competitive returns through dynamic allocation across Shariah-compliant equity, fixed-income and money-market instruments as market conditions evolve.

FUND INFORMATION



Meezan

Dynamic Asset
Allocation Fund

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
Ms. Ayesha Umer	Non-Executive Nominee Director- PKIC
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Mr. Imtiaz Gadar	Chief Executive Officer
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Dr. Syed Amir Ali	Non-Executive Nominee Director- MBL
Mr. Rizwan Qamar Lari*	Non-Executive Nominee Director- MBL

* Mr. Rizwan Qamar Lari was appointed as a Director on June 5, 2026 in place of Syed Imran Ali Shah who resigned on May 21, 2026.

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Syed Haseeb Ahmed Shah

BOARD AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Ms. Ayesha Umer	Member
Mr. Rizwan Qamar Lari*	Member

* Mr. Rizwan Qamar Lari was appointed as a member on June 5, 2026 in place of Syed Imran Ali Shah who resigned on May 21, 2026.

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Irfan Siddiqui	Chairman
Mr. Furquan R. Kidwai	Member
Mr. Imtiaz Gadar	Member
Mr. Saad Ur Rahman Khan	Member

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Imtiaz Gadar	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

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 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

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13,
Bokhari Commercial Area, Phase
VI, DHA, Karachi.

SHARIAH ADVISER

Dr. Muhammad Imran Usmani
Jamia Darul Uloom Karachi
Korangi Industrial Area
Karachi - 75180

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

TRANSFER AGENT

Al Meezan Investment Management Limited

BANKERS TO THE FUND

1. Al Baraka Bank Pakistan Limited
2. Meezan Bank Limited
3. UBL Ameen - Islamic Banking



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REPORT OF THE FUND MANAGER

MEEZAN DIVIDEND YIELD PLAN (MDYP)

(MANAGED UNDER MEEZAN DYNAMIC ASSET ALLOCATION FUND – MDAAF)

Type of Fund

Asset Allocation category fund that invests in Shariah compliant listed equity securities and listed or unlisted Islamic fixed income products.

Objective

The Investment Objective of Meezan Dividend Yield Plan (MDYP) is to provide competitive returns through investments in dividend yielding Shariah Complaint equity securities, Shariah Compliant Fixed Income Instruments, Shariah Compliant Money Market Instruments and any other Shariah Compliant instrument as permitted by the SECP and Shariah Advisor.

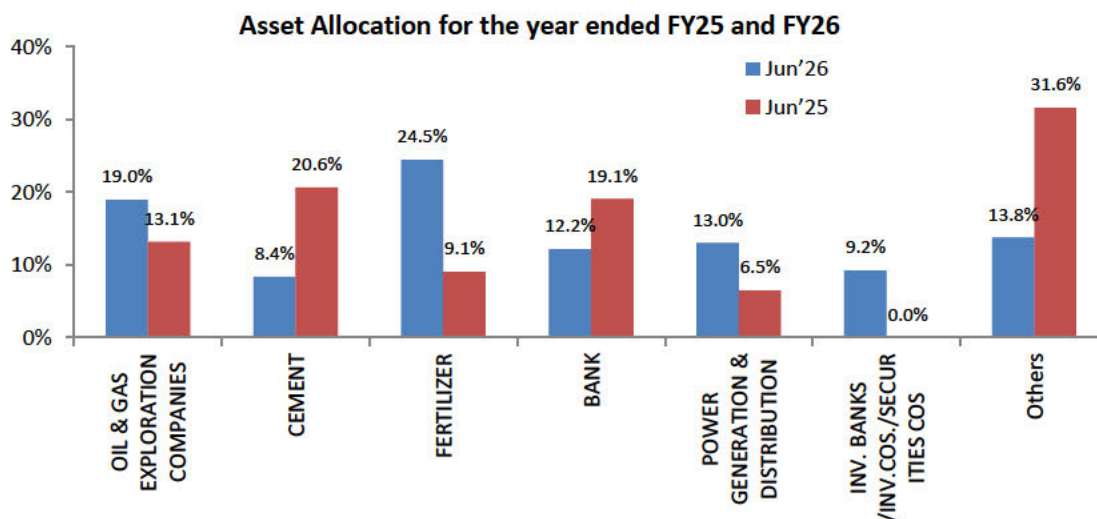
Investment Policy and Strategy

The Plan will actively allocate its portfolio between the equity asset classes and fixed income/money market asset classes based on the macroeconomic view of the fund manager on such asset classes. For exposure to equities, this investment plan shall primarily be invested in Islamic Equity instruments. Whereas for taking exposure to Fixed Income/Money Market, the Plan shall invest in Islamic Money Market and Islamic Fixed Income instruments as well as in Cash at Bank Accounts of Islamic Banks and licensed Islamic Banking windows of conventional Banks. The allocation between the Equity Component and the Debt/ Income Component may vary depending upon changes in the value of the Plan and macroeconomic changes. Investments shall be made as per the authorized investment limits given below and may be made according to the following mode of Shariah Transaction such as; principles of Bai-Mu'ajjal, Bai'-Mussawwama, Bai'- Salam, Istisna'a, Mudaraba, Murabaha and Musharika or any other structure as approved by the Shariah Advisor from time to time.

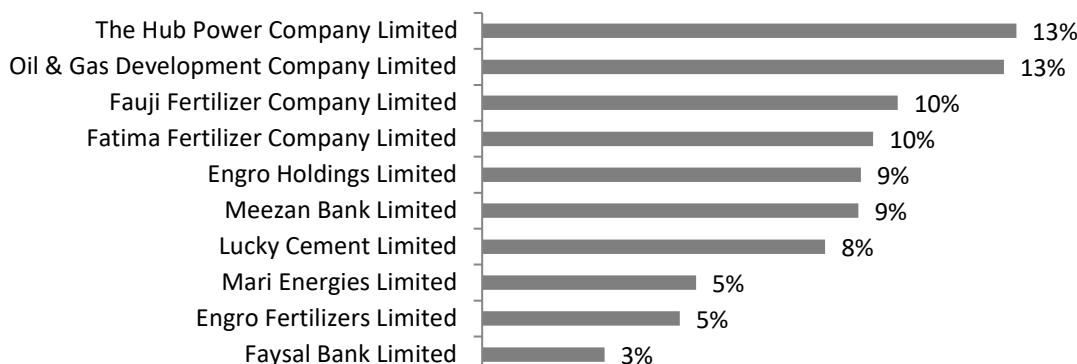
The Management Company (Wakeel) can from time to time alter the weightings, subject to the specified limits as mentioned in Authorized Investments table below between the various types of investments if it is of the view that market conditions so warrant. The funds not invested in the foregoing avenues may be placed as deposit with scheduled Islamic banks / Islamic Divisions of conventional banks.

Asset Allocation

As on June 30, 2026, the fund's equity exposure was 89.27%, while 10.74% of the Net Assets was invested in bank deposits & Other Receivables.



Top Holdings



Performance Review

During the fiscal year 2026, Meezan Dividend Yield Plan managed under Meezan Dynamic Asset Allocation Fund provided a positive return of 35.50% to its investors for the year ended June 30, 2026 as compared to its benchmark return of 34.88%

	MDYP	Benchmark
Net Asset Value as on June 30, 2025	67.8166	
Net Asset Value as on June 30, 2026	86.8344	
Change (Points)	19.0178	
Return During the Period - Net	35.50%	34.88%
Outperformance	0.62%	

Benchmark: Combination of KMI-30 Index, 75% six (6) months PKISRV rates + 25% six (6) months average of the highest rates on saving account of three (3) AA rated scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP, and 90% three (3) months PKISRV rates + 10% three (3) months average of the highest rates on saving account of three (3) AA rated scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP on the basis of actual proportion held by the CIS.

Meezan Dividend Yield Plan Managed under Meezan Dynamic Asset Allocation Fund posted a total income of Rs. 208 million during FY26. Total income comprised of realized and unrealized income on investments of Rs. 60 million and Rs. 97 million respectively. Dividend income and profit on saving account with banks comprised of Rs. 43 million and 8 million respectively. After accounting for expenses of Rs. 46 million, the fund posted a net income of Rs. 162 million. The net assets of the Fund as at June 30, 2026 were Rs. 1,358 million as compared to Rs. 293 million at the end of last year depicting increase of 363%. The net asset value per unit as at June 30, 2026 was Rs. 86.8344 as compared to Rs. 67.8166 per unit as on June 30, 2025.

The fund aims to earn a potentially high return through asset allocation between Shariah Compliant Equity Instruments, Shariah Compliant Fixed Income and Money Market Instruments and any other Shariah Compliant instrument as permitted by the SECP and Shariah Advisor.



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Charity Statement

The Fund purifies the income earned by setting aside an amount payable by the Management Company out of the income of the Trust to charitable/ welfare organizations, in consultation with Shariah Advisor, representing income that is Haram. During the year ended June 30, 2026 an amount of Rs. 1.84 million was accrued as charity payable.

Distributions

There is an interim distribution of Rs. 5.0000 per unit (10.00%) by the Fund during the year ended June 30, 2026. Total distribution made by the fund was Rs. 75.41 million.

SWWF Disclosure

Not Applicable

Breakdown of unit holdings by size:

(As on June 30, 2026)

Range (Units)	No. of Investors
1 - 9,999	2,743
10,000 - 49,999	205
50,000 - 99,999	41
100,000 - 499,999	15
500,000 and above	2
Total	3,006

Summary of Actual Proxy Voted by the Fund

	Resolutions	For	Against	Abstain
Number	1	1	0	0
Percentage	100%	100%	0%	0%

The proxy voting policy of **Al Meezan Investment Management Limited**, duly approved by Board of Directors of the Management Company, is available on the website www.almeezangroup.com. A detailed information regarding actual proxies voted by the Management Company in respect of funds is also available without charge, upon request, to all unit holders.

**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
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN DYNAMIC ASSET 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 Dynamic Asset 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, 2026 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 Securities and Exchange Commission of Pakistan 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 17, 2026

Dr. Muhammad Imran Usmani

Jamia Darul Uloom Karachi

Korangi Industrial Area Karachi, Pakistan

Postal Code 75180

Tel: +92 21 35123225

Fax: +92 21 5040234

Email: miu786@gmail.com

Ref no: IBSA/ESA/26/67

Report of the Shariah Advisor –Meezan Dynamic Asset Allocation Fund (MDAAF)

August 10, 2026/Safar 26, 1448 AH

Alhamdulillah, the period from August 28, 2025 to June 30, 2026 was the **second** year of operations of **Meezan Dynamic Asset Allocation Fund** (the “MDAAF” 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.

In the capacity of Shariah Advisor, Guidelines and policies for Shariah compliant equity investments have been issued to the Fund. Management Company must adhere the guidelines and policies issued by Shariah Advisor. Criteria for Shariah compliance of equity investments includes (i) Nature of business should be *halal*; (ii) Ratio of interest-bearing debt to total assets should be less than 37%; (iii) Ratio of investment in Shariah non-compliant activities to total assets should be less than 33%; (iv) Ratio of Shariah non-compliant income to gross revenue should be less than 5%; (v) Illiquid assets to total assets should be at least 25% and (vi) Market price per share should be at least equal to or greater than net liquid assets per share. In addition to the above criteria, day trading, short sell and trading of right shares (LOR) before subscription are not allowed.

It is also 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 Shariah Advisor’s guidelines.

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, 2026 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.

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

INDEPENDENT ASSURANCE REPORT ON COMPLIANCE WITH THE SHARIAH GOVERNANCE REGULATIONS, 2023

To The Board of Directors of Al Meezan Investment Management Limited

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) – External Shariah Audit of **Meezan Dynamic Asset Allocation Fund (the Fund)**, for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with the Shariah principles for the year ended June 30, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and an independent Shariah scholar.

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2026) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under:

- a) legal and regulatory framework administered by the SECP;
- b) Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by the SECP;
- c) Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan (ICAP), as notified by the SECP;
- d) guidance and recommendations of the Shariah Advisory Committee, as notified by the SECP; and
- e) approvals, rulings, or pronouncements of Shariah Supervisory Board or the Shariah Advisor of the Islamic financial institution, in line with (a) to (d) above.

Our engagement was carried out as required under Regulation 29 of Chapter VII of the Regulations.

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2026, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its unit holders, other financial institutions, and stakeholders and related policies and procedures are, in substance and legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan (the Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

The firm applies International Standard on Quality Management (ISQM-1) *"Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements"*, and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles in all material respects for the year ended June 30, 2026, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), *'Assurance Engagements Other than Audits or Reviews of Historical Financial Information'*, issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design 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. We have designed and performed the necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

6. Conclusion

Based on our reasonable assurance engagement, we report that, in our opinion, the Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2026 are in compliance with the Shariah principles (criteria specified in paragraph 2 above), in all material respects.

The engagement partner on the assurance resulting in this independent assurance report is **Nadeem Yousuf Adil**.



Chartered Accountants

Date: September 15, 2026

Place: Karachi

INDEPENDENT AUDITOR'S REPORT

To the unit holders of Meezan Dynamic Asset Allocation Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Meezan Dynamic Asset Allocation Fund (the Fund)**, which comprise the statement of assets and liabilities as at June 30, 2026, the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund, and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2026, and of its financial performance and its cash flows for the year then ended in accordance with 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 and Al Meezan Investment Management Limited (the Management Company) 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 matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current year. This matter was 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 this matter.

Following is the key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1	Valuation and existence of investment As disclosed in note 6 to the financial statements, the investments held by the Fund amounts to Rs. 1,229.455 million as at June 30, 2026. The total investment amount is the significant account balance on the statement of assets and liabilities. This is one of the main drivers of the Fund's performance and thus risk exists on this balance. The Fund invests primarily in equity shares and there is a risk that these investments are incorrectly valued.	In this respect, we performed the following procedures: - reviewed the processes and key controls relating to existence and valuation; - independently verified existence of investments in Shares through confirmation from Central Depository Company (CDC) as a trustee; - tested valuation of investments in Shares held as at June 30, 2026 by verifying the average rates quoted on a widely used Pakistan Stock Exchange (PSX) rates;

S. No.	Key audit matter	How the matter was addressed in our audit
	In addition, there is a risk that the Fund may have included investments in its financial statements which are not in the ownership of the Fund and thereby increasing the uncertainty in respect of existence of investments recorded as at year end. In view of the above, we have considered the valuation and existence of investments as a Key Audit Matter.	• differences, if any, identified during our testing that were over our acceptable threshold were investigated further; and • evaluated the adequacy of disclosures in the financial statements.

Information other than the financial statements and auditor's report thereon

Management Company 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 auditor's 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 the Board of Directors of the Management Company for the Financial Statements

Management Company 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 the Management Company 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 Company 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 Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance of the Management Company 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 Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management Company.
- 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 of the Management of Management Company 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 Those Charged with Governance of Management Company 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 Those Charged with Governance of Management Company, 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

Based on our audit, we further report that in our opinion:

- a) the financial statements have been properly prepared in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008;
- b) proper books and records have been kept by the Collective Investment Scheme and the financial statements prepared are in agreement with the books and records of the Collective Investment Scheme; and
- c) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Nadeem Yousuf Adil**.



Yousuf Adil
Chartered Accountants

Place: Karachi
Date: September 15, 2026
UDIN: AR202610091Jf12u8DoX

MEEZAN DYNAMIC ASSET ALLOCATION FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

Meezan Dividend Yield Plan	
June 30, 2026	June 30, 2025

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

ASSETS

Bank balances	5	137,430	40,658
Investments	6	1,229,455	248,770
Receivable against conversion of units		4,566	6,571
Receivable against sale of investments		2,454	1,463
Advances, deposits and profit receivable	7	3,384	1,421
Total assets		1,377,289	298,883

LIABILITIES

Payable to Al Meezan Investment Management Limited - Management Company	8	1,545	348
Payable to Central Depository Company of Pakistan Limited - Trustee	9	215	47
Payable to the Securities and Exchange Commission of Pakistan (SECP)	10	99	19
Payable to Meezan Bank Limited		43	13
Payable against redemption and conversion of units		1,919	801
Dividend payable		-	2,182
Accrued expenses and other liabilities	11	15,023	1,999
Total liabilities		18,844	5,409

NET ASSETS

UNIT HOLDERS' FUND (as per statement attached)

CONTINGENCIES AND COMMITMENTS

NUMBER OF UNITS IN ISSUE

NET ASSET VALUE PER UNIT

1,358,445	293,474
1,358,445	293,474
15,644,089	4,327,476
86.8344	67.8166

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 Officer

Chief Financial Officer

Director

**MEEZAN DYNAMIC ASSET ALLOCATION FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026**

Meezan Dividend Yield Plan	
For the year ended June 30, 2026	For the period from August 29, 2024 to June 30, 2025

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

INCOME

Profit on balances with banks	8,060	2,096
Realised gain on sale of investments	60,397	41,940
Dividend income	43,022	12,898
	<u>111,479</u>	<u>56,934</u>
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1 96,785	20,234
Total Income	208,264	77,168

EXPENSES

Remuneration of Al Meezan Investment Management Limited - Management Company	8.1 25,765	2,057
Sindh Sales Tax on remuneration of the Management Company	8.2 3,865	309
Allocated expenses	-	130
Sindh Sales Tax on allocated expenses	-	19
Selling and marketing expenses	-	986
Sindh Sales Tax on selling and marketing expense	-	148
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1 1,726	435
Sindh Sales Tax on remuneration of the Trustee	9.2 259	65
Fee to the Securities and Exchange Commission of Pakistan (SECP)	10.1 868	206
Brokerage expense	9,005	5,823
Charity expense	1,843	394
Auditors' remuneration	13 746	402
Amortisation of preliminary expenses and floatation costs	35	29
Bank and settlement charges	825	1
Fees and subscription	1,124	212
Total expenses	46,061	11,216
Net income for the year / period before taxation	162,203	65,952
Taxation	15 -	-
Net income for the year / period after taxation	162,203	65,952
Allocation of net income for the year / period		
Net income for the year / period after taxation	162,203	65,952
Income already paid on units redeemed	(22,704)	(59,525)
	<u>139,499</u>	<u>6,427</u>
Accounting income available for distribution		
- Relating to capital gains	139,499	6,427
- Excluding capital gains	-	-
	<u>139,499</u>	<u>6,427</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 Officer

Chief Financial Officer

Director

MEEZAN DYNAMIC ASSET ALLOCATION FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

Meezan Dividend Yield Plan	
For the year ended June 30, 2026	For the period from August 29, 2024 to June 30, 2025
----- (Rupees in '000) -----	
Net income for the year / period after taxation	162,203 65,952
Other comprehensive income for the year / period	- -
Total comprehensive income for the year / period	162,203 65,952

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 Officer

Chief Financial Officer

Director

**MEEZAN DYNAMIC ASSET ALLOCATION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2026**

	Meezan Dividend Yield Plan			Meezan Dividend Yield Plan		
	For the year ended June 30, 2026			For the period from August 29, 2024 to June 30, 2025		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Net assets at the beginning of the year / period	292,778	696	293,474	-	-	-
Issuance of 46,180,133 units (2025: 33,535,186 units)						
- Capital value (at net assets value per unit at the beginning of the year / period)	3,131,780	-	3,131,780	1,676,759	-	1,676,759
- Element of income	820,086	-	820,086	479,578	-	479,578
Total proceeds on issuance of units	3,951,866	-	3,951,866	2,156,337	-	2,156,337
Redemption of 34,863,520 units (2025: 29,207,710 units)						
- Capital value (at net assets value per unit at the beginning of the year / period)	2,364,326	-	2,364,326	1,460,386	-	1,460,386
- Element of income	586,663	22,704	609,367	388,970	59,525	448,495
Total payments on redemption of units	2,950,989	22,704	2,973,693	1,849,356	59,525	1,908,881
Total comprehensive income for the year / period	-	162,203	162,203	-	65,952	65,952
Distribution during the year / period	-	(59,482)	(59,482)	-	(5,731)	(5,731)
Refund of capital	(15,924)	-	(15,924)	(14,203)	-	(14,203)
Net income for the year / period	(15,924)	102,721	86,797	(14,203)	60,221	46,018
Net assets at the end of the year / period	1,277,732	80,713	1,358,445	292,778	696	293,474
Undistributed income /(loss) brought forward						
- Realised loss		(19,538)			-	
- Unrealised gain		20,234			-	
		696			-	
Accounting income available for distribution						
- Relating to capital gains	139,499			6,427		
- Excluding capital gains	-			-		
	139,499			6,427		
Distribution during the year ended June 30, 2026						
@ Rs. 5.00 declared on June 24, 2026		(59,482)			(19)	
(2025: Distribution @ Rs. 0.0394 declared on September 04, 2024						
@Rs. 5.00 declared on June 27, 2025		-			(5,712)	
Undistributed income carried forward	80,713			696		
Undistributed income carried forward						
- Realised loss	(16,072)			(19,538)		
- Unrealised gain	96,785			20,234		
	80,713			696		
	(Rupees)			(Rupees)		
Net assets value per unit at the beginning of the year / period	67.8166			50.0000		
Net assets value per unit at the end of the year / period	86.8344			67.8166		

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 Officer

Chief Financial Officer

Director

MEEZAN DYNAMIC ASSET ALLOCATION FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

Meezan Dividend Yield Plan	
For the year ended June 30, 2026	For the period from August 29, 2024 to June 30, 2025

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

CASH FLOWS FROM OPERATING ACTIVITIES

Net income for the year/period before taxation		162,203	65,952
Adjustments for:			
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1	(96,785)	(20,234)
		65,418	45,718
Increase in assets			
Investments - net	6	(884,891)	(229,999)
Advances, deposits and profit receivable	7	(1,963)	(1,421)
		(886,854)	(231,420)
Increase in liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	8	1,197	347
Payable to Central Depository Company of Pakistan Limited - Trustee	9	168	47
Payable to the Securities and Exchange Commission of Pakistan (SECP)	10	80	19
Payable to Meezan Bank Limited		31	13
Accrued expenses and other liabilities	11	13,024	1,999
		14,500	2,425
Net cash used in operating activities		(806,936)	(183,277)

CASH FLOWS FROM FINANCING ACTIVITIES

Receipts against issuance and conversion of units		3,937,947	2,149,766
Payment against redemption and conversion of units		(2,972,575)	(1,908,079)
Cash dividend paid		(61,664)	(17,752)
Net cash generated from financing activities		903,708	223,935
Net increase in cash and cash equivalents during the year / period		96,772	40,658
Cash and cash equivalents at the beginning of the year / period		40,658	-
Cash and cash equivalents at the end of the year / period	5	137,430	40,658

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 Officer

Chief Financial Officer

Director

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Dynamic Asset Allocation Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed under the Sindh Trust Act, 2020 on May 02, 2023 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 29, 2023 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The objective of the Fund is to provide competitive returns through investments in dividend yielding Shariah Complaint equity securities, Shariah Compliant Fixed Income Instruments, Shariah Compliant Money Market Instruments and any other Shariah Compliant instrument as permitted by the SECP and Shariah Advisor. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah Compliant Asset Allocation Scheme. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4** The Management Company has been assigned a quality rating of 'AM1' VIS Credit Rating Company Limited dated January 22, 2026 (June 30, 2025: 'AM1' dated December 31, 2024) and by PACRA dated May 15, 2026 (2025: 'AM1' dated May 15, 2025). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.6** Meezan Dynamic Asset Allocation Fund is an Open End Shariah Compliant Asset Allocation scheme with the provision to launch investment plans under it. The Fund shall have the following features mentioned below:

The first Investment Plan under this Scheme shall be called Meezan Dividend Yield Plan (MDYP).

Other investment plans may be launched by the Management Company (Wakeel) from time to time via Supplemental Offering Documents with the consent of Trustee and Approval of the Commission.

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 (IFRS Accounting Standards) 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 Accounting 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 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025.

New amendments that are effective for the year ended June 30, 2026

The following amendments are effective for the year ended June 30, 2026. These amendments are either not relevant to the Company's / Bank's operations or are not expected to have significant impact on the Company's / Bank's financial statements other than certain additional disclosures.

Lack of Exchangeability (Amendments to IAS 21)

3.3 Standard and amendments to IFRS that are not yet effective

The following standards and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective from accounting periods beginning on or after:
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	January 01, 2026
Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 01, 2026
Amendments to IFRS 9 and IFRS 7 regarding power purchase arrangements	January 01, 2026
IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

3.3.1 In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 20 – Regulatory Assets and Regulatory Liabilities

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 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 and valuation 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 are measured at their respective fair values.

3.6 Functional and presentation currency

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

4 MATERIAL ACCOUNTING POLICY

4.1 The material 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 unless otherwise stated.

4.2 Cash and cash equivalents

These comprise balances with banks in saving 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 and subsequent measurement

a) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the "Statement of Assets and Liabilities" at fair value, with gains and losses recognised in the "Income Statement", except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the Income Statement.

4.3.3 Impairment (other than debt securities)

The fund assesses on a forward-looking basis the expected credit losses (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.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

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 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 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 and provision of any duties and charges, provision for transaction costs if applicable. The sales load is payable to the Management Company / distributors.

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

4.9 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.

4.10 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 Assets 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 the Income Statement, on the date when the transaction takes place;
- 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;

- Dividend income is recognised when the Fund's right to receive the same is established i.e. on the commencement of date of book closure of the investee company / institution declaring the dividend;
- Profit on saving accounts with bank is recognised on a 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. Provided that, 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.

4.14 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net profit / loss of 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.

		June 30, 2026	June 30, 2025
5	BANK BALANCES	Note	(Rupees in '000)
	Balances with banks in:		
	Savings accounts	5.1	137,425
	Current accounts		40,658
			<u>5</u>
			<u>137,430</u>
5.1	These include balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 6.75% (June 30, 2025: 3.25%) per annum. Other savings accounts of the Fund have expected profit rates ranging from 6.00% to 11.35% (June 30, 2025: 6.00% to 10.60%).		<u>40,658</u>
6	INVESTMENTS	Note	(Rupees in '000)
	Investment at 'fair value through profit or loss'		
	Listed equity securities	6.1	1,229,455
			<u>248,770</u>

6.1 Investments in equity securities - listed

Name of the investee company	As at July 01, 2025	Purchased during the year	Bonus / right shares during the year	Sold during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised (diminution) / appreciation as at June 30, 2026	Market value as a percentage of		Holding as a percentage of Paid-up capital of investee company (with face value of investment) *
									Net assets of the Fund	Total market value of investments	
CEMENT											
Bestway Cement Limited (Note 6.3)	-	39,855	-	39,855	-	-	-	-	-	-	-
Fauji Cement Company Limited	241,070	1,685,000	-	1,926,070	-	-	-	-	-	-	-
Pioneer Cement Limited	112,706	370,000	-	482,706	-	-	-	-	-	-	-
Lucky Cement Ltd (Note 6.1.1 & 6.2)	71,000	684,189	-	510,000	245,189	107,404	115,121	7,717	8.47	9.36	0.02
	424,776	2,779,044	-	2,958,631	245,189	107,404	115,121	7,717	8.47	9.36	0.02
COMMERCIAL BANKS											
Faysal Bank Limited	420,259	1,170,289	-	1,176,385	414,163	34,753	41,102	6,349	3.03	3.34	0.03
Meezan Bank Limited (a related party of the Fund)	83,551	342,151	-	181,124	244,578	109,373	126,315	16,942	9.30	10.27	0.01
	503,810	1,512,440	-	1,357,509	658,741	144,126	167,417	23,291	12.33	13.61	0.04
FERTILIZER											
Fatima Fertilizer Limited	-	1,079,553	-	285,632	793,921	106,847	131,235	24,388	9.66	10.67	0.04
Engro Fertilizers Limited	146,042	1,533,227	-	1,345,724	333,545	72,085	66,359	(5,726)	4.88	5.40	0.02
Fauji Fertilizer Company Limited	-	561,500	-	318,202	243,298	143,777	139,527	(4,250)	10.27	11.35	0.02
	146,042	3,174,280	-	1,949,558	1,370,764	322,709	337,121	14,412	24.81	27.42	0.08
PHARMACEUTICALS											
Abbott Laboratories (Pakistan) Limited	-	55,557	-	55,557	-	-	-	-	-	-	-
GlaxoSmithKline Pakistan Limited	-	25,000	-	-	25,000	9,417	9,256	(161)	0.68	0.75	0.01
Highnoon Laboratories Limited	-	10,000	-	10,000	-	-	-	-	-	-	-
	-	90,557	-	65,557	25,000	9,417	9,256	(161)	0.68	0.75	0.01
INV. BANKS / INV. COS. / SECURITIES COS.											
Engro Holding Limited	-	1,064,870	-	623,088	441,782	117,030	127,110	10,080	9.36	10.34	0.04

Name of the investee company	As at July 01, 2025	Purchased during the year	Bonus / right shares during the year	Sold during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised (diminution) / appreciation as at June 30, 2026	Market value as a percentage of		Holding as a percentage of Paid-up capital of investee company (with face value of investment) *
									Net assets of the Fund	Total market value of investments	
(Number of shares)						(Rupees in '000)			(%)		

OIL AND GAS EXPLORATION COMPANIES

Mari Energies Limited	-	184,456	-	78,000	106,456	66,586	71,782	5,196	5.28	5.85	0.01
Pakistan Petroleum Limited	-	728,000	-	668,000	60,000	15,004	14,557	(447)	1.07	1.19	-
Oil and Gas Development Company (Note 6.2)	178,077	817,779	-	473,000	522,856	150,276	175,089	24,813	12.89	14.25	0.01
	178,077	1,730,235	-	1,219,000	689,312	231,866	261,428	29,562	19.24	21.29	0.02

OIL AND GAS MARKETING COMPANIES

Attock Petroleum Limited (Note 6.3)	-	116,346	-	116,346	-	-	-	-	-	0.01	-
Pakistan State Oil Company Limited	73,481	322,000	-	358,300	37,181	14,252	12,729	(1,523)	0.94	1.04	0.01
Sui Northern Gas Pipelines Limited	142,035	923,150	-	900,185	165,000	18,601	19,953	1,352	1.47	1.62	0.03
	215,516	1,361,496	-	1,374,831	202,181	32,853	32,682	(171)	2.41	2.67	0.04

AUTOMOBILE ASSEMBLER

Millat Tractors Limited	-	30,000	-	30,000	-	-	-	-	-	-	-
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POWER GENERATION AND DISTRIBUTION

The Hub Power Company Limited	140,233	1,428,000	-	800,100	768,133	167,265	179,320	12,055	13.20	14.59	0.06
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Total as at June 30, 2026						1,132,670	1,229,455	96,785	91	100	0.31
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* Total as at June 30, 2025						228,536	248,770	20,234			
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* "0.00%" due to rounding off

6.1.1 All shares have a nominal value of Rs.10 each except for the shares of following:

Name of the investee company	Nominal value per share as on June 30, 2026 (Rs.)	Subdivision of share during the year	Additional shares received on account of subdivision of shares during the year
Lucky Cement Limited	2.00	-	-
Millat Tractors Limited	5.00	On June 22, 2026 from Rs. 10/- to Rs. 5/-	15,000

6.2 The above investments include shares of the following companies which have been pledged with National Clearing Company of Pakistan for guaranteeing settlement of the Fund's trade in accordance with Circular no. 11 of 2007 dated October 23, 2007 issued by the Securities & Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

Name of the investee	2026		2025	
	No of shares	Amount	No of shares	Amount
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Lucky Cement Limited	35,000	16,433	-	-
Oil & Gas Development Company Limited	53,000	17,748	-	-
	88,000	34,181	-	-

6.3 The investments in Bestway Cement Limited and Attock Petroleum Limited were non-Shariah compliant as at the year-end based on the latest Shariah screening and re-composition of the KSE Meezan Index-30 (KMI-30) announced by Pakistan Stock Exchange Limited vide Notice No. PSX/N-610 dated May 15, 2026. Accordingly, these investments were classified as non-compliant at the reporting date.

7	ADVANCES, DEPOSITS AND PROFIT RECEIVABLE	Note	June 30, 2026	June 30, 2025
			----- (Rupees in '000) -----	----- (Rupees in '000) -----
	Formation Cost		113	148
	Deposit to NCCPL		2,506	1,006
	Profit receivable on saving accounts with banks		765	267
			3,384	1,421

8 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management remuneration	8.1	832	96
Sindh Sales Tax on management remuneration	8.2	125	14
Formation cost		187	187
Front end sales load payable		315	44
Sindh Sales Tax payable on sales load		47	7
Ibft charges payable to the Management Company		39	
		1,545	348

8.1 SECP vide S.R.O. 600(I)/2025, dated April 10, 2025, has substituted Regulation 60(5) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, whereby the Management Company is entitled to a remuneration not exceeding 3.00% per annum of the average daily net assets, with effect from July 01, 2025. Accordingly, during the year ended June 30, 2026, the Management Company has charged its remuneration at the rate of 2.82% (June 30, 2025: 2.50%) per annum of the average daily net assets. The remuneration is payable to the Management Company monthly in arrears.

8.2 Sindh Sales Tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of Management Company has been charged at the rate of 15% (June 30, 2025: 15%)

9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	June 30, 2026	June 30, 2025
			----- (Rupees in '000) -----	----- (Rupees in '000) -----
	Remuneration of the Trustee	9.1	187	41
	Sindh Sales Tax payable on remuneration of the Trustee	9.2	28	6
			215	47

- 9.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows:

NET ASSETS (Rs.)	TARIFF
Up to 1 billion	0.20% p.a. of Net Assets.
Over 1 billion	Rs. 2.0 million plus 0.10% p.a. of Net Assets, on amount exceeding Rs.1 billion.

- 9.2 Sindh Sales Tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of the Trustee has been charged at the rate of 15% (June 30, 2025: 15%)

		June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN - SECP			

Fee payable	10.1	99	19
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- 10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.095% per annum (June 30, 2025: 0.095%) of the daily net assets during the year. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

		June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	

11 ACCRUED EXPENSES AND OTHER LIABILITIES

Brokerage payable	1,886	85
Charity payable	2,209	394
Withholding tax payable	10,036	870
Capital gain tax payable	98	297
IBFT Charges Payable - IBFT Redemption	28	11
Other accrued expenses payable	-	20
Auditors' remuneration payable	492	322
Zakat payable	1	-
Shariah Advisor fee payable	273	-
	<u>15,023</u>	<u>1,999</u>

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2026 (June 30, 2025: Nil), except as disclosed elsewhere in these financial statements.

		June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	

13 AUDITORS REMUNERATION

Audit Fee	277	248
Shariah Audit Fee	300	-
Half yearly review	99	90
Out of pocket and other including government levies	70	64
	<u>746</u>	<u>402</u>

14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the year ended July 01, 2025 to June 30, 2026 is 5.04% (June 30, 2025: 5.85%) which includes 0.68% (June 30, 2025: 0.69%) representing government levies, SECP fee and other related charges. However, pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SEC applicable to Collective Investment Schemes, effective from July 01, 2025.

15 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2026 to the unit holders 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.

16 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 16.1** 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.
- 16.2** Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 16.3** Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed, respectively.
- 16.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 16.5** The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

Balance	June 30, 2026	June 30, 2025
	----- (Rupees in '000) -----	
Al Meezan Investment Management Company (Management Company)		
Remuneration payable to the Management Company	832	96
Sindh Sales Tax payable on remuneration of the Management Company	125	14
Formation Cost payable	187	187
Sales load payable	315	44
Sindh Sales Tax on sales load	47	7
IBFT charges payable to the Management Company	39	-
Central Depository Company Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	187	41
Sindh Sales Tax on remuneration of the Trustee	28	6
Meezan Bank Limited		
Bank balance	45,445	39,235
Profit receivable on savings account	443	88
Investment in 244,578 shares (June 30, 2025: 83,551)	126,315	27,743
Sales load payable	37	11
Sindh Sales Tax on sales load	6	2
Shariah Advisor Fee	273	-
National Clearing Company of Pakistan Limited		
Security Deposit	2,506	-
Directors and Executives of the Management Company		
Outstanding units: 4,000 units (June 30, 2025: Nil)	347	-
Unit holders holding 10% or more of units of the Fund		
Investment of units: 1,729,291 units (June 30, 2025: 1,028,327 Units)	150,162	69,738

	For the year ended June 30, 2026	For the period from August 29, 2024 to June 30, 2025
Transactions during the year / period	----- (Rupees in '000) -----	
Al Meezan Investment Management Company (Management Company)		
Remuneration to the Management Company	25,765	2,057
Sindh Sales Tax on remuneration of the Management Company	3,865	309
Allocated expenses	-	130
Sindh Sales Tax on Allocated expenses	-	19
Selling and marketing expenses	-	986
Sindh Sales Tax on Selling and marketing expenses	-	148
Central Depository Company Pakistan Limited (Trustee)		
Remuneration of the Trustee	1,726	435
Sindh Sales Tax on remuneration of the Trustee	259	65
CDS Charges	223	-
Meezan Bank Limited		
Profit on savings account	6,466	1,525
Purchase of 342,151 shares (2025: 623,928 shares)	156,051	151,740
Sale of 181,124 shares (2025: 540,377 shares)	84,279	129,718
Shariah Advisory Fee	1,103	-
Dividend income	4,763	1,762
Engro Fertilizers Limited	16.6	
Purchases: (2025: 761,002 shares)	-	166,844
Sales: (2025: 523,349 shares)	-	113,160
Dividend Income	-	1,787
National Clearing Company of Pakistan Limited		
NCCPL Charges	576	-
Directors and Executives of the Management Company		
Units issued: 170,164 units (2025: 378,383)	12,574	25,301
Units redeemed: 166,163 units (2025: 378,383)	12,203	24,654
Dividend Paid	14	-
Capital Refund	4	-

- 16.6 Current year balance has not been presented as the person was not classified as a related party / connected person of the Fund effective from March 24, 2025. However, transactions with this related party have been accordingly disclosed for the corresponding figures.
- 16.7 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

17	FINANCIAL INSTRUMENTS BY CATEGORY	As at June 30, 2026	
		At amortised cost	At fair value through profit or loss
		----- (Rupees in '000) -----	
	Financial assets		
	Balances with banks	137,430	-
	Investments	-	1,229,455
	Receivable against conversion of units	4,566	-
	Dividend receivable	-	-
	Advances, deposits and profit receivable	3,384	-
		<u>145,380</u>	<u>1,229,455</u>
	Financial liabilities		
	Payable to Al Meezan Investment Management Company- Management Company	1,545	-
	Payable to Meezan Bank Limited	43	-
	Payable against redemption and conversion of units	1,919	-
	Payable against purchase of investments	-	-
	Payable to Central Depository Company Of Pakistan Limited- Trustee	215	-
	Accrued expenses and other liabilities	4,888	-
		<u>8,610</u>	<u>-</u>
		<u>136,770</u>	<u>1,229,455</u>

	As at June 30, 2025	
	At amortised cost	At fair value through profit or loss
	----- (Rupees in '000) -----	
Financial assets		
Balances with banks	40,658	-
Investments	-	248,770
Receivable against conversion of units	6,571	-
Advances, deposits and profit receivable	1,421	-
	<u>48,650</u>	<u>248,770</u>
Financial liabilities		
Payable to Al Meezan Investment Management Company- Management Company	348	-
Payable to Meezan Bank Limited	13	-
Payable against redemption and conversion of units	801	-
Payable to Central Depository Company Of Pakistan Limited- Trustee	47	-
Accrued expenses and other liabilities	832	-
	<u>2,041</u>	<u>-</u>
	<u>46,610</u>	<u>248,770</u>

18 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.

18.1 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 profit rates. As of June 30, 2026, 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. 1.314 million.

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2026, 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, 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, 2026 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, 2026 and June 30, 2025 can be determined as follows:

As at June 30, 2026					
Effective Yield / Profit rate (%)	Effective yield / profit rate			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

Bank balances	3.25% to 10.60%	137,430	-	-	-	137,430
Investments - at fair value through profit or loss		-	-	-	1,229,455	1,229,455
- Listed equity securities		-	-	-	-	-
Receivable against conversion of units		-	-	-	4,566	4,566
Dividend receivable		-	-	-	-	-
Receivable against investments		-	-	-	2,454	2,454
Advances, deposits and profit receivables		-	-	-	3,384	3,384
		137,430	-	-	1,239,859	1,377,289

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	1,545	1,545
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	215	215
Payable to the Securities and Exchange Commission of Pakistan (SECP)		-	-	-	99	99
Payable to Meezan Bank Limited		-	-	-	43	43
Payable against redemption and conversion of units		-	-	-	1,919	1,919
Dividend Payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	4,888	4,888
		-	-	-		8,709

On-balance sheet gap (a)		137,430	-	-	1,239,859	1,368,580
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a + b)		137,430	-	-		
Cumulative profit rate sensitivity gap		137,430.00	-	-		

As at June 30, 2025					
Effective Yield / Profit rate (%)	Effective yield / profit rate			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		
Financial assets	(Rupees in '000)				
Bank balances	3.25% to 10.60%	40,658	-	-	40,658
Investments - at fair value through profit or loss					
- Listed equity securities		-	-	248,770	248,770
Receivable against conversion of units		-	-	6,571	6,571
Dividend receivable		-	-	-	-
Receivable against investments		-	-	1,463	1,463
Advances, deposits and profit receivables		-	-	1,421	1,421
		40,658	-	258,225	298,883
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company		-	-	348	348
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	47	47
Payable to the Securities and Exchange Commission of Pakistan (SECP)		-	-	19	19
Payable to Meezan Bank Limited		-	-	13	13
Payable against redemption and conversion of units		-	-	801	801
Dividend Payable		-	-	2,182	2,182
Accrued expenses and other liabilities		-	-	832	832
		-	-	4,242	4,242
On-balance sheet gap (a)		40,658	-	253,983	294,641
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total profit rate sensitivity gap (a + b)		40,658	-	-	-
Cumulative profit rate sensitivity gap		40,658	40,658	40,658	-

(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 is exposed to equity price risk on investments held by the Fund and classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed. The NBFC Regulations also limit individual equity securities to no more than 15% of net assets and issued capital of the investee company and sector exposure limit to 40% of the net assets.

In case of 1% increase / decrease in KMI All Share index on June 30, 2026, with all other variables held constant, the total comprehensive income of the Fund for the year would increase / decrease by Rs. 12.295 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.

The analysis is based on the assumption that equity index had increased / decreased by 1% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI All Share Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI All Share Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI All Share Index.

18.2 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 settlement of equity securities and 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 period.

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:

2026						
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						
Bank balances	137,430	-	-	-	-	137,430
Investments - at fair value through profit or loss - Listed Securities	-	-	-	-	1,229,455	1,229,455
Receivable against conversion of units	4,566	-	-	-	-	4,566
Receivable against Investment	2,454	-	-	-	-	2,454
Dividend receivable	-	-	-	-	-	-
Advances, deposits and profit receivables	3,384	-	-	-	-	3,384
	147,834	-	-	-	1,229,455	1,377,289
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	1,545	-	-	-	-	1,545
Payable to Central Depository Company of Pakistan Limited - Trustee	215	-	-	-	-	215
Payable to the Securities and Exchange Commission of Pakistan (SECP)	99	-	-	-	-	99
Payable to Meezan Bank Limited	43	-	-	-	-	43
Payable against redemption and conversion	1,919	-	-	-	-	1,919
Dividend payable	-	-	-	-	-	-
Accrued expenses and other liabilities	4,888	-	-	-	-	4,888
	8,709	-	-	-	-	8,709
Net assets / (liabilities)	139,125	-	-	-	1,229,455	1,368,580

2025						
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						
Bank balances	40,658	-	-	-	-	40,658
Investments - at fair value through profit or loss - Listed Securities	-	-	-	-	248,770.00	248,770
Receivable against conversion of units	6,571	-	-	-	-	6,571
Receivable against Investment	1,463	-	-	-	-	1,463
Dividend receivable	-	-	-	-	-	-
Advances, deposits and profit receivables	1,421	-	-	-	-	1,421
	50,113	-	-	-	248,770	298,883
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	348	-	-	-	-	348
Payable to Central Depository Company of Pakistan Limited - Trustee	47	-	-	-	-	47
Payable to the Securities and Exchange Commission of Pakistan (SECP)	19	-	-	-	-	19
Payable to Meezan Bank Limited	13	-	-	-	-	13
Payable against redemption and conversion of units	801	-	-	-	-	801
Dividend payable	2,182	-	-	-	-	2,182
Accrued expenses and other liabilities	832	-	-	-	-	832
	4,242	-	-	-	-	4,242
Net assets / (liabilities)	45,871	-	-	-	248,770	294,641

18.3 Credit risk

18.3.1 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:

2026		
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
-----Rupees in '000-----		
Balances with banks	137,430	137,430
Investments	1,229,455	-
Receivable against conversion of units	4,566	4,566
Dividend receivable	2,454	2,454
Advances, deposits and profit receivable	3,384	3,384
	1,377,289	147,834

2025		
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
-----Rupees in '000-----		
Balances with banks	40,658	40,658
Investments	248,770	-
Receivable against conversion of units	6,571	6,571
Receivable against investment	1,463	1,463
Advances, deposits and profit receivable	1,273	1,273
	298,735	49,965

18.3.2 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 mark-up accrued thereon and receivable against sale of investments. The credit rating profile of balances with banks is as follows:

		2026 (Percentage)
AAA	VIS / PACRA	94.86
AA-	VIS / PACRA	5.14
		100%

		2025 (Percentage)
AAA	VIS / PACRA	96.58
A-	VIS / PACRA	3.42
		100%

18.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Funds portfolio of financial assets is mainly held with credit worthy counterparties thereby mitigating any credit risk.

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, 2026 the Fund held the following financial instruments measured at fair values:

Financial assets 'at fair value through profit or loss'

Shares of listed companies - 'ordinary shares'

2026		
Level 1	Level 2	Level 3
(Rupees in '000)		
1,229,455	-	-

Financial assets 'at fair value through profit or loss'

Shares of listed companies - 'ordinary shares'

2025		
Level 1	Level 2	Level 3
(Rupees in '000)		
248,770	-	-

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

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

20.1 UNIT HOLDING PATTERN OF THE FUND

Category	2026		
	Number of unit holders	Investment amount	Percentage of total (%)
(Rupees in '000)			
Individuals	3,001	1,355,411	100
Others	5	3,034	0
	3,006	1,358,445	100%

Category	2025		
	Number of unit holders	Investment amount	Percentage of total (%)
(Rupees in '000)			
Individuals	686	292,380	100
Others	1	1,094	0
	687	293,474	100%

21 MEETING OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Name of Directors	Designation	Meeting held on				Total Meetings Attendance
		143rd August 18, 2025	144th October 28, 2025	145th January 30, 2026	146th April 13, 2026	
Mr. Irfan Siddiqui	Chairman	Yes	Yes	Yes	Yes	4
Ms. Ayesha Umer	Non-Executive	Yes	Yes	Yes	Yes	4
Ms. Danish Zuberi	Independent Director	Yes	Yes	Yes	Yes	4
Mr. Feroz Rizvi	Independent Director	Yes	Yes	Yes	Yes	4
Mr. Furquan Kidwai	Independent Director	Yes	Yes	Yes	Yes	4
Mr. Imtiaz Gadar	Chief Executive Officer	Yes	Yes	Yes	Yes	4
Mr. Saad Ur Rahman Khan	Non-Executive	Yes	Yes	Yes	Yes	4
Ms. Shazia Khurram	Non-Executive	Yes	Yes	Yes	Yes	4
Mr. Syed Amir Ali	Non-Executive	Yes	Yes	Leave of Absence	Yes	3
Mr. Syed Imran Ali Shah*	Non-Executive	Yes	Yes	Yes	Yes	4

* Syed Imran Ali Shah resigned from the Board on May 21, 2026.

22 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Name	Designation	Qualification	Overall Experience
Mr. Imtiaz Gadar	Chief Executive Officer	CFA / MBA	Twenty Three years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Thirty years
Mr. Ahmed Hassan	Head of Equity	CFA / MBA	Nineteen years
Ms. Amreen Soorani	Head of Research	FCCA	Sixteen years
Mr. Faizan Saleem	Head of Fixed Income	CFA level II / MBA	Nineteen years
Mr. Asif Imtiaz	VP Investments	CFA / MBA	Eighteen years
Mr. Akhtar Munir	Head of Risk Management	CFA / FRM, ACCA, FCMA & MBA	Thirteen years
Mr. Ali Khan	Head of Product Development	CFA / FRM / MBA	Seventeen years
Mr. Wahaj Ahmed	VP Investments	MBA	Fourteen years
Mr. Saad Idrees	Senior Manager	MS Economics	Six years
Mr. Zohaib Jawaid	Senior Manager	CFA / BBA	Five years

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 Dynamic Asset Allocation Fund
- Meezan Capital Protected Fund-III

23 LIST OF TOP TEN BROKERS

Following is the list of top ten Brokers and their respective percentage of share:

2026		2025	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Taurus Securities Limited	9.64%	JS Global Capital Limited	18.42%
Rafi Securities (Private) Limited	8.65%	Taurus Securities Limited	16.57%
JS Global Capital Limited	7.73%	Rafi Securities (Private) Limited	16.39%
Topline Securities Limited	5.52%	Next Capital Limited	11.86%
Aba Ali Habib Securities (Private) Limited	4.97%	Standard Capital Securities Limited	7.60%
Ismail Iqbal Securities (Private) Limited	4.96%	Topline Securities Limited	6.11%
Spectrum Securities (Private) Limited	4.82%	Arif Habib Limited	6.07%
Foundation Securities (Private) Limited	4.73%	AKD Securities Limited	6.02%
KASB Securities (Private) Limited	4.26%	Dalal Securities (Private) Limited	3.49%
BMA Capital Limited	3.88%	Alfa Adhi Securities (Private) Limited	2.58%

24 GENERAL

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

Corresponding figures have been reclassified and rearranged, where necessary, for better presentation and consistency with the current year's classification.

25 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 18, 2026** by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PERFORMANCE TABLE
MEEZAN DYNAMIC ASSET ALLOCATION FUND

	2026	2025
Net assets (Rs. '000) (ex-distribution)	1,358,445	293,475
Net assets value / redemption price per unit as at June 30 (Rs.) (ex-distribution)	86.8344	67.8166
Offer price per unit as at June 30, (Rs.) (ex-distribution)	88.8315	69.3763
Highest offer price per unit (Rs.)	99.3861	73.1240
Lowest offer price per unit (Rs.)	70.4078	50.0000
Highest redemption price per unit (Rs.)	97.1517	71.4800
Lowest redemption price per unit (Rs.)	68.8249	48.9648
Distribution (%)		
Interim	10.00%	10.00%
Final		
Date of distribution		
Interim	24-Jun-26	27-Jun-25
Final		
Income distribution (Rupees in '000)	59,482	5,731
Growth distribution (Rupees in '000)	15,924	14,203
Total return (%)	35.50	45.92
	One Year	Two Years
Average annual return as at June 30, 2026 (%)	35.50	40.61

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