



Performance **Transparency**

Al Meezan demonstrates excellence in its accountability to clients and stakeholders by promoting transparency in its investment performance.

Meezan Pakistan Exchange Traded Fund

Meezan Pakistan Exchange Traded Fund is a Shariah Compliant Exchange Traded Fund that aims to provide investors an opportunity to track the performance of Meezan Pakistan Index that has been constituted and is maintained by Al Meezan and comprises of Shariah Compliant equity securities selected with high consideration towards market capitalization and traded value.

FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

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

ACTING CHIEF EXECUTIVE OFFICER

Mr. Muhammad Asad

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Syed Haseeb Ahmed Shah

BOARD AUDIT COMMITTEE

| | |
|------------------------|----------|
| Mr. Feroz Rizvi | Chairman |
| Mr. Tariq Mairaj | Member |
| Mr. Ahmed Iqbal Rajani | Member |

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

| | |
|-------------------------|----------|
| Mr. Irfan Siddiqui | Chairman |
| Mr. Saad Ur Rahman Khan | Member |
| Mr. Furquan R. Kidwai | Member |

BOARD IT COMMITTEE

| | |
|-----------------------|-----------------------|
| Mr. Furquan R. Kidwai | Chairman |
| Mr. Faiz ur Rehman | Subject Matter Expert |

TRUSTEE

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

AUDITORS

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

SHARIAH ADVISER

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

BANKERS TO THE FUND

Meezan Bank Limited

LEGAL ADVISER

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

TRANSFER AGENT

Al Meezan Investment Management Limited

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited



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

| | | March 31, 2024 (Unaudited) (Rupees in '000) | June 30, 2023 (Audited) |
|---|-------------|--|--|
| Assets | Note | | |
| Balances with banks | 5 | 527 | 4,444 |
| Investments | 6 | 76,335 | 65,303 |
| Dividend receivable | | 965 | - |
| Advance, deposits and profit receivables | | 216 | 236 |
| Total assets | | <u>78,043</u> | <u>69,983</u> |
| Liabilities | | | |
| Payable to AI Meezan Investment Management Limited - Management Company | 7 | 44 | 10 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | | 21 | 7 |
| Payable to the Securities and Exchange Commission of Pakistan | | 18 | 16 |
| Accrued expenses and other liabilities | 8 | 280 | 477 |
| Total liabilities | | <u>363</u> | <u>500</u> |
| Net assets | | <u>77,680</u> | <u>69,483</u> |
| Unit holders' fund (as per statement attached) | | <u>77,680</u> | <u>69,473</u> |
| Contingencies and commitments | 9 | | |
| | | (Number of Units) | |
| Number of units in issue | | <u>6,030,000</u> | <u>8,890,000</u> |
| | | (Rupees) | |
| Net asset value per unit | | <u>12.8822</u> | <u>7.8147</u> |

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

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

Chief Executive Officer

Chief Financial Officer

Director



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

| | Note | Nine months period ended March 31, | | Quarter ended March 31, | |
|---|------|---------------------------------------|--------------------------|----------------------------|--------------------------|
| | | 2024 (Rupees in '000) | 2023 (Rupees in '000) | 2024 (Rupees in '000) | 2023 (Rupees in '000) |
| Income | | | | | |
| Profit on balances with banks | | 128 | 103 | 16 | 29 |
| Dividend income | | 4,295 | 6,334 | 1,531 | 1,016 |
| Net realised gain / (loss) on sale of investments | | 11,101 | (3,045) | 3,778 | (1,275) |
| | | 15,524 | 3,392 | 5,325 | (230) |
| Net unrealised appreciation / (diminution) on re-measurement of investments - 'at fair value through profit or loss' | 6.1 | 21,505 | (2,564) | 1,205 | (971) |
| Total Income / (loss) | | 37,029 | 828 | 6,530 | (1,201) |
| Expenses | | | | | |
| Remuneration to AI Meezan Investment Management Limited - Management Company | 7.1 | 273 | 319 | 95 | 94 |
| Sindh Sales Tax on remuneration of the Management Company | | 36 | 41 | 13 | 12 |
| Remuneration to Central Depository Company of Pakistan Limited - Trustee | | 55 | 64 | 19 | 19 |
| Sindh Sales Tax on Remuneration of the Trustee | | 7 | 8 | 2 | 2 |
| Annual fee to the Securities and Exchange Commission of Pakistan | | 52 | 13 | 18 | 4 |
| Auditors' remuneration | | 66 | 115 | 6 | 31 |
| Charity expense | | 169 | 253 | 44 | 24 |
| Fees and subscription | | 8 | - | - | - |
| Brokerage expense | | 97 | 167 | 27 | 50 |
| Bank and settlement charges | | 10 | 28 | 2 | - |
| Total expenses | | 773 | 1,008 | 226 | 236 |
| Net Income / (loss) from operating activities during the period | | 36,256 | (180) | 6,304 | (1,437) |
| Element of loss and capital losses included in prices of units issued less those in units redeemed - net | | (5,700) | (1,001) | (1,459) | (159) |
| Net Income / (loss) for the period before taxation | | 30,557 | (1,181) | 4,846 | (1,596) |
| Taxation | 13 | - | - | - | - |
| Net Income / (loss) for the period after taxation | | 30,557 | (1,181) | 4,846 | (1,596) |
| Accounting income available for distribution | | | | | |
| - Relating to capital gains | | 30,557 | - | - | - |
| - Excluding capital gains | | - | - | - | - |
| | | 30,557 | - | - | - |

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

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

Chief Executive Officer

Chief Financial Officer

Director



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

| | <u>Nine months period ended,</u> | | <u>Quarter ended,</u> | |
|---|----------------------------------|----------------|-------------------------|----------------|
| | <u>March 31,</u> | | <u>March 31,</u> | |
| | <u>2024</u> | <u>2023</u> | <u>2024</u> | <u>2023</u> |
| | <u>(Rupees in '000)</u> | | <u>(Rupees in '000)</u> | |
| Net Income / (loss) for the period after taxation | 30,557 | (1,181) | 4,846 | (1,596) |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income / (loss) for the period | <u>30,557</u> | <u>(1,181)</u> | <u>4,846</u> | <u>(1,596)</u> |

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

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

Chief Executive Officer

Chief Financial Officer

Director



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

| | Nine months period ended March 31, 2024 | | | Nine months period ended March 31, 2023 | | |
|--|--|--|---------------|--|--|---------------|
| | Capital value | (Accumulated loss) / Undistributed income | Total | Capital Value | (Accumulated losses) / Undistributed income | Total |
| | (Rupees in '000) | | | (Rupees in '000) | | |
| Net assets at the beginning of the period | 97,738 | (28,265) | 69,473 | 121,019 | (27,339) | 93,680 |
| Issue of 670,000 units (March 31, 2023: 900,000 units) | | | | | | |
| - Capital value (at par value) | 5,236 | - | 5,236 | 7,127 | - | 7,127 |
| - Element of income / (loss) | 2,628 | - | 2,628 | (287) | - | (287) |
| Total proceeds on issuance of units | 7,864 | - | 7,864 | 6,840 | - | 6,840 |
| Redemption of 3,530,000 units (March 31, 2023: 3,570,000 units) | | | | | | |
| - Capital value (at par value) | 27,586 | - | 27,586 | 28,272 | - | 28,272 |
| - Element of loss | 8,327 | - | 8,327 | 714 | - | 714 |
| Total payments on redemption of units | 35,913 | - | 35,913 | 28,987 | - | 28,987 |
| Element of loss and capital losses included in prices of units issued less those in units redeemed - net | 5,700 | - | 5,700 | 1,001 | - | 1,001 |
| Total comprehensive income / (loss) for the period | - | 30,557 | 30,557 | - | (1,181) | (1,181) |
| Net assets at end of the period | 75,389 | 2,292 | 77,680 | 99,874 | (28,520) | 71,354 |
| Accumulated loss brought forward | | | | | | |
| - Realised loss | | (23,688) | | | (7,263) | |
| - Unrealised loss | | (4,577) | | | (20,076) | |
| | | (28,265) | | | (27,339) | |
| Accounting income available for distribution | | | | | | |
| - Relating to capital gains | | 30,557 | | | - | |
| - Excluding capital gains | | - | | | - | |
| | | 30,557 | | | - | |
| Net income / (loss) for the period after taxation | | 30,557 | | | (1,181) | |
| Undistributed income / accumulated loss carried forward | | 2,292 | | | (28,520) | |
| Undistributed income / accumulate loss carried forward | | | | | | |
| - Realised loss | | (19,214) | | | (25,955) | |
| - Unrealised income / (loss) | | 21,505 | | | (2,564) | |
| | | 2,292 | | | (28,520) | |
| | | (Rupees) | | | (Rupees) | |
| Net assets value per unit at the beginning of the period | 7,8147 | | | 7,9189 | | |
| Net assets value per unit at the end of the period | 12,8822 | | | 7,7898 | | |

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

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

Chief Executive Officer

Chief Financial Officer

Director



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

| | Nine months period ended March 31, | |
|--|---|-----------------|
| | 2024 | 2023 |
| | (Rupees in '000) | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net Income / (loss) for the period before taxation | 30,557 | (1,181) |
| Adjustments for: | | |
| Net unrealised (appreciation) / diminution on re-measurement of investments - 'at fair value through profit or loss' | (21,505) | 2,564 |
| Element of loss and capital losses included in prices of units issued less those in units redeemed - net | 5,700 | 1,001 |
| | <u>14,752</u> | <u>2,384</u> |
| Decrease / (Increase) in assets | | |
| Investments | 10,473 | 19,291 |
| Dividend receivable | (965) | (715) |
| Advance, deposits and profit receivables | 20 | 7 |
| | <u>9,528</u> | <u>18,583</u> |
| (Decrease) / increase in liabilities | | |
| Payable to Al Meezan Investment Management Limited - Management Company | 34 | 32 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 14 | (1) |
| Payable to the Securities and Exchange Commission of Pakistan | 2 | (4) |
| Accrued expenses and other liabilities | (197) | 109 |
| | <u>(147)</u> | <u>136</u> |
| Net cash generated from operating activities | <u>24,132</u> | <u>21,103</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Receipts against issuance of units | 7,864 | 6,840 |
| Payment against redemption of units | (35,913) | (28,987) |
| Net cash used in financing activities | <u>(28,049)</u> | <u>(22,147)</u> |
| Net decrease in cash and cash equivalents during the period | (3,917) | (1,044) |
| Cash and cash equivalents at beginning of the period | 4,444 | 2,621 |
| Cash and cash equivalents at end of the period | <u>527</u> | <u>1,577</u> |

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

**For Al-Meezan Investment Management Limited
Chief Financial Officer**

Chief Executive Officer

Chief Financial Officer

Director



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

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Pakistan Exchange Traded Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on January 09, 2020 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, (the NBFC Regulations), 2008. The Trust Deed was previously registered under the "Trust Act, 1882" and now has been registered under "The Sindh Trusts Act, 2020". The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, the above-mentioned Trust Deed has been registered under the Sindh Trust Act. The Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund is a Shariah Compliant Exchange Traded Fund that aims to provide investors an opportunity to track the performance of Meezan Pakistan Index (MZNPI) that has been constituted and is maintained by the Management Company, and comprises of 12 shariah compliant equity securities selected with high consideration towards market capitalisation and traded value. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.
- 1.3** The Fund is a hybrid type of fund having features of both open and closed end funds. A new concept of "Authorised Participants "APs" has been introduced who will act as market makers. The Management Company will only have contact with the APs for issuance and redemption of units. The units of the Fund are tradeable in the Pakistan Stock Exchange Limited (PSX). The APs to whom the units are issued may either keep the units with themselves or trade in the PSX. Consequently, upon trading, the holder of the units keeps on changing. Moreover, on issuance and redemption of units, the basket of shares will be exchanged between AP and Management Company and cash will be paid / received if there is a difference in the applicable net asset value of a creation unit and the market value of the portfolio deposit.
- 1.4** The Fund is an Open Ended Exchange Traded Mutual Fund categorised as "Listed Index Tracking Fund" and is listed on Pakistan Stock Exchange (PSX) Limited.
- 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** The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 29, 2023 (2022: 'AM1' dated December 30, 2022) and by PACRA dated June 23, 2023 (2022: 'AM1' dated June 23, 2022). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

2 BASIS OF PRESENTATION

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



3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the 'International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

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

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

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

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

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

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

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

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

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



| | Note | March 31, 2024 (Unaudited) (Rupees in '000) | June 30, 2023 (Audited) (Rupees in '000) |
|------------------------------|------|--|---|
| 5 BALANCES WITH BANKS | | | |
| Balances with banks in: | | | |
| Savings account | 5.1 | 526 | 4,191 |
| Current account | | <u>1</u> | <u>253</u> |
| | | <u><u>527</u></u> | <u><u>4,444</u></u> |

5.1 This represents balances maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 11.01% (June 30, 2023: 10.00%) per annum.

| | Note | March 31, 2024 (Unaudited) (Rupees in '000) | June 30, 2023 (Audited) (Rupees in '000) |
|----------------------|------|--|---|
| 6 INVESTMENTS | | | |

At fair value through profit or loss
Shares of listed companies - 'ordinary shares'

| | | | |
|--|-----|----------------------|----------------------|
| | 6.1 | <u><u>76,335</u></u> | <u><u>65,303</u></u> |
|--|-----|----------------------|----------------------|

6.1 Shares of listed companies - 'ordinary shares'

| Name of the investee company | As at July 1, 2023 | Unaudited | | | | | | | Percentage in relation to | | |
|--|-----------------------|-----------------------------------|---------------------------|-------------------------------|----------------------------|--|--|---|---------------------------|---|---|
| | | Purchases during the period | Bonus / Right issue | Sales during the period | As at March 31, 2024 | Carrying value as at March 31, 2024 | Market value as at March 31, 2024 | Unrealised gain / (loss) as at March 31, 2024 | Net Assets of the Fund | Total Market Value of Investment | Paid-up capital of investee company (with face value of investment) |
| | | Number of shares | | | (Rupees in '000) | | | | -% | | |
| Commercial Bank | | | | | | | | | | | |
| Meezan Bank Limited | 70,231 | 10,667 | - | 38,085 | 42,813 | 4,434 | 9,146 | 4,712 | 11.77 | 11.98 | - |
| | - | | | | | | | | 11.77 | 11.98 | - |
| Cement | | | | | | | | | | | |
| Lucky Cement Limited | 16,891 | 1,043 | - | 8,889 | 9,045 | 4,920 | 6,919 | 1,999 | 8.91 | 9.05 | - |
| Maple Leaf Cement Factory Limited | - | 95,482 | - | 29,755 | 65,727 | 2,176 | 2,339 | 163 | 3.01 | 3.06 | 0.01 |
| | | | | | | | | | 11.92 | 12.11 | 0.01 |
| Fertilizer | | | | | | | | | | | |
| Engro Fertilizers Limited | 87,122 | 63,168 | - | 92,402 | 57,888 | 7,108 | 8,493 | 1,385 | 10.93 | 11.13 | - |
| Engro Corporation Limited | 38,227 | 8,964 | - | 21,262 | 25,929 | 6,850 | 9,316 | 2,466 | 11.99 | 12.20 | - |
| | | | | | | | | | 22.92 | 23.33 | - |
| Foods and Personal Care Products | | | | | | | | | | | |
| Unity Foods limited | 170,688 | - | - | 170,688 | - | - | - | - | - | - | - |
| | | | | | | | | | - | - | - |
| Oil and Gas Exploration Companies | | | | | | | | | | | |
| Oil and Gas Development Company Limited | 88,900 | 9,154 | - | 35,945 | 62,109 | 5,154 | 7,556 | 2,402 | 9.73 | 9.90 | - |
| Pakistan Petroleum Limited | 83,566 | 16,292 | - | 35,337 | 64,521 | 4,438 | 6,849 | 2,411 | 8.82 | 8.97 | - |
| | - | | | | | | | | 18.55 | 18.87 | - |
| Oil and Gas Marketing Companies | | | | | | | | | | | |
| Pakistan State Oil Company Limited | 31,115 | 2,249 | - | 13,465 | 19,899 | 2,327 | 3,433 | 1,106 | 4.42 | 4.50 | - |
| Sui Northern Gas Pipelines Limited | - | 60,716 | - | 26,948 | 33,768 | 1,594 | 2,111 | 517 | 2.72 | 2.77 | 0.01 |
| | | | | | | | | | 7.14 | 7.27 | 0.01 |
| Power Generation & Distribution | | | | | | | | | | | |
| The Hub Power Company Limited | - | 136,016 | - | 44,360 | 91,656 | 7,765 | 11,115 | 3,350 | 14.31 | 14.56 | 0.01 |
| | | | | | | | | | 14.31 | 14.56 | 0.01 |
| Technology and Communication | | | | | | | | | | | |
| Systems Limited | 21,336 | 6,909 | - | 11,964 | 16,281 | 6,714 | 6,274 | (440) | 8.08 | 8.22 | 0.01 |
| | - | | | | | | | | 8.08 | 8.22 | 0.01 |
| Refinery | | | | | | | | | | | |
| Attock Refinery Limited | 14,224 | 880 | - | 7,868 | 7,236 | 1,347 | 2,784 | 1,437 | 3.58 | 3.66 | 0.01 |
| | | | | | | | | | 3.58 | 3.66 | 0.01 |
| Total as at March 31, 2024 | | | | | <u>54,830</u> | <u>76,335</u> | <u>21,505</u> | <u>98.27</u> | <u>100.00</u> | | |
| Total as at June 30, 2023 | | | | | <u>69,880</u> | <u>65,303</u> | <u>(4,577)</u> | <u>85.25</u> | <u>100.00</u> | | |

6.1.1 All shares have a nominal value of Rs.10 each.



| | | March 31, 2024 (Unaudited) | June 30, 2023 (Audited) |
|----------|---|---|--|
| | | (Rupees in '000) | |
| 7 | PAYABLE TO AI MEEZAN MANAGEMENT LIMITED - MANAGEMENT COMPANY | | |
| | Management fee payable | 39 | 9 |
| | Sindh Sales Tax payable on remuneration of the Management Company | 5 | 1 |
| | | <u>44</u> | <u>10</u> |

7.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 0.5% (June 30, 2023: 0.5%) per annum of the average annual net assets of the Fund during the period ended March 31, 2024. The remuneration is payable to the Management Company monthly in arrears.

| | | March 31, 2024 (Unaudited) | June 30, 2023 (Audited) |
|----------|---|---|--|
| | | (Rupees in '000) | |
| 8 | ACCRUED EXPENSES AND OTHER LIABILITIES | | |
| | Auditors' remuneration payable | 108 | 125 |
| | Charity payable | 165 | 346 |
| | Other Payable | 7 | 6 |
| | | <u>280</u> | <u>477</u> |

9 CONTINGENCIES AND COMMITMENTS

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

10 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons include AI Meezan Investment Management Limited being the Management Company, the Central Depository Company of Pakistan Limited (CDC) being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and executives of the Management Company, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, AI Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets

Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates

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

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

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

| | March 31, 2024 (Unaudited) | June 30, 2023 (Audited) |
|---|---|--|
| | (Rupees in '000) | |
| Balances | | |
| AI Meezan Investment Management Limited - Management Company | | |
| Remuneration payable | 39 | 9 |
| Sindh Sales Tax payable on remuneration of the Management Company | 5 | 1 |
| Investment of 1,000,000 units (June 30, 2023: 1,000,000 units) | <u>12,882</u> | <u>7,815</u> |
| Meezan Bank Limited | | |
| Bank balance | 527 | 4,444 |
| Profit receivable on saving accounts | 15 | 36 |
| Investment of 42,813 shares (June 30, 2023: 70,231) | <u>9,146</u> | <u>6,066</u> |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Trustee fee payable | 19 | 6 |
| Sindh Sales Tax on trustee fee payable | 2 | 1 |
| Security deposit | <u>200</u> | <u>200</u> |



| | Nine months period ended March 31, | |
|---|---------------------------------------|-------|
| | 2024 | 2023 |
| | (Unaudited) (Rupees in '000) | |
| Transactions during the period | | |
| Al Meezan Investment Management Limited - Management Company | | |
| Remuneration for the period | 273 | 319 |
| Sindh Sales Tax on remuneration of the Management Company | 36 | 41 |
| Meezan Bank Limited | | |
| Profit on saving accounts | 128 | 103 |
| Shares purchased: 10,667 shares (March 31, 2023: 88,578) | 1,729 | 8,909 |
| Shares Sold: 38,085 shares (March 31, 2023: 23,454) | 4,932 | 1,962 |
| Bonus Issue : Nil shares (March 31, 2023: 7,240) | - | - |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration of the Trustee | 55 | 64 |
| Sindh Sales Tax on Remuneration of the Trustee | 7 | 8 |
| CDS charges | 4 | 5 |

11 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

11.1 Fair value hierarchy

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

Level 1: quoted 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 March 31, 2024 and June 30, 2023, the Fund held the following financial instruments measured at fair value:

| | As at March 31, 2024 | | | |
|--|----------------------|---------|---------|--------|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets 'at fair value through profit or loss' | (Rupees in '000) | | | |
| Shares of listed companies | 76,335 | - | - | 76,335 |
| - 'ordinary shares' | | | | |
| | | | | |
| | As at June 30 2023 | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets 'at fair value through profit or loss' | (Rupees in '000) | | | |
| Shares of listed companies - 'ordinary share' | 65,303 | - | - | 65,303 |

12 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at March 31, 2023 based on current period results is 1.41% (March 31, 2023: 1.58%) which includes 0.19% (March 31, 2023: 0.13%) representing government levies on the Fund such as Sales Taxes, fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Index Scheme'.



13 TAXATION

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

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

14 GENERAL

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

15 DATE OF AUTHORISATION FOR ISSUE

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

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

Chief Executive Officer

Chief Financial Officer

Director