Meezan
Asset Allocation Fund

MEEZAN ASSET ALLOCATION FUND (MAAF)

Meezan Asset Allocation Fund (MAAF) is a Shariah compliant Asset Allocation Scheme. It is designed to help investors build wealth by long-term capital appreciation, diversification across asset classes and the flexibility to change investment portfolio exposure as per the outlook.

UNFOLDING OPPORTUNITIES OF PROGRESS IN THE CITY OF TEXTILE


MULTAN MUSEUM
(MULTAN)

FUND INFORMATION

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director – PKIC

CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY
Syed Owais Wasti

AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

HUMAN RESOURSE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

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
Meezan Bank Limited

BANKERS TO THE FUND
Al Baraka Islamic Bank B.S.C (E.C)
Bank Al Habib Limited - Islamic Banking
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited
UBL Ameen - Islamic Banking

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

TRANSFER AGENT
Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS
Al Meezan Investment Management Limited
Meezan Bank Limited

MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2020

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
Assets			
Balances with banks	5	129,187	421,539
Investments	6	998,934	1,448,626
Dividend receivable		5,991	5,288
Receivable against conversion of units		2,422	-
Deposits, profit accrued and other receivable		7,418	9,794
Preliminary expenses and floatation costs		190	326
Total assets		1,144,142	1,885,573
Liabilities			
Payable to Al Meezan Investment Management Limited - the Management Company		3,527	4,914
Payable to Central Depository Company of Pakistan Limited - the Trustee		192	533
Payable to the Securities and Exchange Commission of Pakistan	8	245	2,380
Payable to Meezan Bank Limited		1	35
Payable against redemption and conversion of units		4,732	9,113
Accrued expenses and other liabilities	7	17,153	14,587
Total liabilities		25,850	31,562
Net assets		1,118,292	1,854,011
Contingencies and commitments	9		
Unit holders' fund (as per statement attached)		1,118,292	1,854,011
		(Number of units)	
Number of units in issue		35,643,052	52,324,763
		(Rupees)	
Net asset value per unit		31.3747	35.4328

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	Chief Financial Officer	Director

MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Note	Nine months period ended March 31,		Quarter ended March 31,	
		2020	2019	2020	2019
		(Rupees in '000)		(Rupees in '000)	
Income					
Net realised gain / (loss) on sale of investments		32,056	(80,218)	14,966	(46,129)
Dividend income		54,780	68,719	7,869	8,279
Profit on saving accounts with banks		26,198	26,051	7,911	11,188
		113,034	14,552	30,746	(26,662)
Net unrealised (diminution) / appreciation on re-measurement of investments classified 'as financial assets at fair value through profit or loss'	6.1	(186,263)	(224,586)	(428,585)	103,862
Total (loss) / Income		(73,229)	(210,034)	(397,839)	77,200
Expenses					
Remuneration of Al Meezan Investment Management Limited - the Management Company		18,100	29,916	5,606	9,096
Sindh Sales Tax on remuneration of the Management Company		2,353	3,889	729	1,182
Allocated expenses	11	1,207	1,994	374	606
Selling and marketing expenses	14	4,827	7,978	1,495	2,426
Remuneration of Central Depository Company of Pakistan Limited - the Trustee		1,958	2,745	622	853
Sindh Sales Tax on remuneration of the Trustee		255	357	81	111
Annual fee to the Securities and Exchange Commission of Pakistan	8	245	1,895	75	576
Auditors' remuneration		261	259	60	48
Brokerage expenses		2,330	929	1,023	414
Charity expense		1,462	983	234	51
Bank and settlement charges		488	327	139	67
Amortisation of preliminary expenses and floatation costs		136	136	45	45
Fees and subscription		398	429	117	132
Provision for Sindh Worker's Welfare Fund (SWWF)	7.1	-	-	(6,024)	-
Printing expenses		-	10	-	-
Total expenses		34,020	51,847	4,576	15,607
Net (loss) / income for the period before taxation		(107,249)	(261,881)	(402,415)	61,593
Taxation	12		-		-
Net (loss) / income for the period after taxation		(107,249)	(261,881)	(402,415)	61,593
Allocation of net income for the period					
Net income for the period after taxation		-	-		
Income already paid on units redeemed		-	-		
		-	-		

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive **Chief Financial Officer** **Director**

MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Nine months period March 31,		Quarter ended, March 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
Net (loss) / income for the period after taxation	(107,249)	(261,881)	(402,415)	61,593
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	(107,249)	(261,881)	(402,415)	61,593

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total
	---------------- Rupees in 000----------------			---------------- Rupees in 000----------------		
Net assets at the beginning of the period	2,862,681	(1,008,670)	1,854,011	3,339,382	(462,218)	2,877,164
Issuance of 3,315,827 units (2019: 12,439,316 units)						
- Capital value (at net asset value per unit at the beginning of the period)	117,489		117,489	553,925	-	553,925
- Element of income / (loss)	12,615		12,615	(21,917)	-	(21,917)
Total proceeds on issuance of units	130,104	-	130,104	532,008	-	532,008
Redemption of 19,997,538 units (2019: 19,015,600 units)						
- Capital value (at net asset value per unit at the beginning of the period)	708,569		708,569	846,767	-	846,767
- Element of loss / (income)	50,005	-	50,005	(46,126)	-	(46,126)
Total payments on redemption of units	758,574	-	758,574	800,641	-	800,641
Total comprehensive loss for the period		(107,249)	(107,249)	-	(261,881)	(261,881)
Distribution during the period			-	-	-	-
Net loss for the period less distribution	-	(107,249)	(107,249)	-	(261,881)	(261,881)
Net assets at the end of the period	2,234,211	(1,115,919)	1,118,292	3,070,749	(724,099)	2,346,650

	2020	2019
Accumulated loss brought forward		
- Realised loss	(593,083)	(109,140)
- Unrealised loss	(415,587)	(353,078)
	(1,008,670)	(462,218)
Accounting income available for distribution		
- Relating to capital gains	-	-
- Excluding capital gains	-	-
	-	-
Net loss for the period after taxation	(107,249)	(261,881)
Distribution during the period	-	-
Accumulated loss carried forward	(1,115,919)	(724,099)
Accumulated loss carried forward		
- Realised loss	(929,656)	(499,513)
- Unrealised loss	(186,263)	(224,586)
	(1,115,919)	(724,099)
	(Rupees)	**(Rupees)**
Net assets value per unit at the beginning of the period	35.4328	44.5301
Net assets value per unit at the end of the period	31.3747	40.4349

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive **Chief Financial Officer** **Director**

MEEZAN ASSET ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2020

Meezan
Asset Allocation Fund

	Note	Nine months period ended March 31, 2020	2019
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period before taxation		(107,249)	(261,881)
Adjustments for:			
Amortisation of preliminary expenses and floatation costs		136	136
Net unrealised diminution on re-measurement of investments classified 'as financial assets at fair value through profit or loss'	6.1	186,263	224,586
		79,150	(37,159)
Decrease in assets			
Investments		263,429	372,930
Dividend receivable		(703)	(1,787)
Receivable against sale of investments		-	(3,290)
Deposits, profit accrued and other receivable		2,376	(4,130)
		265,102	363,723
(Decrease) / Increase in liabilities			
Payable to Al Meezan Investment Management Limited - the Management Company		(1,387)	(1,012)
Payable to Central Depository Company of Pakistan Limited - the Trustee		(341)	266
Payable to the Securities and Exchange Commission of Pakistan		(2,135)	(1,001)
Payable to Meezan Bank Limited		(34)	(43)
Payable against purchase of investments - net		-	13,333
Accrued expenses and other liabilities		2,566	1,783
		(1,331)	13,326
Net cash generated from operating activities		342,921	339,890
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units		127,682	541,687
Payment against redemption and conversion of units		(762,955)	(792,000)
Net cash used in financing activities		(635,273)	(250,313)
Net (decrease) / increase in cash and cash equivalents during the period		(292,352)	89,577
Cash and cash equivalents at the beginning of the period		421,539	454,128
Cash and cash equivalents at the end of the period		129,187	543,705

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

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 on November 25, 2015 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) on November 16, 2015. The initial offering period of the Fund was from April 18, 2016 to April 20, 2016 and the Fund commenced its operations from April 21, 2016. 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 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 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 by VIS dated March 31, 2020 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company’s experienced management team, structured investment process and sound quality of systems and processes.

1.5 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of repealed Companies Ordinance, 1984; and

- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, (the NBFC Regulations) and the requirements of the Trust Deed.

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

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, 2019.

4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

4.3 There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2019. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
5. BALANCES WITH BANKS		(Rupees in '000)	
In saving accounts	5.1	114,309	419,654
In current accounts		14,878	1,885
		129,187	421,539

5.1 The balance in saving accounts have an expected profit ranging from 3.63% to 13% per annum (June 30, 2019: 3.32% to 12.35% per annum).

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
6. INVESTMENTS		(Rupees in '000)	
Investments at 'fair value through profit or loss'			
Shares of listed companies 'ordinary shares'	6.1	998,934	1,448,626

6.1 Shares of listed companies 'ordinary shares'

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / right issue	Sales during the period	As at March 31, 2020	Carrying value as at Marc 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to: Net assets of the Fund	Paid-up capital of investee company (with face value of investment)	Total market value of invest-ments
	------ (Number of shares) ------					------ (Rupees in '000) ------			------ % ------		
Sectors/ Companies											
Automobile Assembler											
Ghandhara Industries Limited (Note 6.2)	55,000	-	-	55,000	-	-	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	1,800	12,300	-	14,100	-	-	-	-	-	-	-
Indus Motor Company Limited	-	7,960	-	-	7,960	9,512	5,807	(3,705)	0.52	0.01	0.58
Millat Tractors Limited	5,000	-	-	5,000	-	-	-	-	-	-	-
									0.52	**0.01**	**0.58**
Automobile Parts & Accessories											
Agriauto Industries Limited	-	40,000	-	-	40,000	8,355	6,410	(1,945)	**0.57**	**0.14**	**0.64**
Chemicals											
Engro Polymer & Chemicals Limited	1,110,761	1,100,000	-	1,048,000	1,162,761	32,542	28,511	(4,031)	2.55	0.13	2.85
ICI Pakistan Limited	80,650	1,000	-	8,750	72,900	38,741	36,911	(1,830)	3.30	0.08	3.70
									5.85	**0.21**	**6.55**
Cement											
Cherat Cement Company Limited	-	240,000	6,500	160,500	86,000	3,364	4,764	1,400	0.43	0.05	0.48
D.G. Khan Cement Company Limited	129,000	334,000	-	279,000	184,000	13,753	10,902	(2,851)	0.97	0.04	1.09
Fauji Cement	-	1,087,000	-	187,500	899,500	15,301	13,322	(1,979)	1.19	0.07	1.33
Kohat Cement Company Limited	225,000	55,000	-	35,000	245,000	16,557	21,376	4,819	1.91	0.12	2.14
Lucky Cement Limited	304,700	-	-	95,000	209,700	79,785	77,736	(2,049)	6.95	0.06	7.78
Maple Leaf Cement Limited	11,112	625,095	-	11,000	625,207	16,012	12,954	(3,057)	1.00	-	1.00
Pioneer Cement Limited	500	-	-	-	500	11	14	3	-	-	-
									12.45	**0.34**	**13.82**
Commercial Banks											
Meezan Bank Limited	528,446	50,000	-	50,000	528,446	45,664	34,397	(11,267)	3.08	0.04	3.44
Bank Islami Pakistan Limited	-	705,000	-	250,000	455,000	4,942	4,104	(838)	0.37	0.04	0.41
									3.44	**0.08**	**3.85**
Engineering											
Amreli Steels limited	-	150,000	-	150,000	-	-	-	-	-	-	-
International Industries Limited	107,500	25,000	9,600	89,000	53,100	4,005	4,013	8	0.36	0.04	0.40
International Steels Limited	105,000	525,000	-	630,000	-	-	-	-	-	-	-
Mughal Iron and Steel Industries Limited	-	125,000	-	125,000	-	-	-	-	-	-	-
									0.36	**0.04**	**0.40**
Fertilizer											
Engro Corporation Limited (note 6.1.2)	609,400	26,700	-	231,500	404,600	109,033	107,988	(1,045)	9.66	0.07	10.81
Engro Fertilizers Limited	1,745,000	25,000	-	1,003,000	767,000	49,163	44,225	(4,938)	3.95	0.06	4.43
									13.61	**0.13**	**15.24**
Food and Personal Care Products											
Al-Shaheer Corporation Limited (Note 6.2)	3,750	1,449	-	-	5,199	62	49	(12)	0.00	0.00	0.00
Unity Foods Limited	-	250,000	-	-	250,000	3,125	2,470	(655)	0.22	0.05	0.25
Frieslandcampina Engro Foods Limited	700	-	-	700	-	-	-	-	-	-	-
									0.23	**0.05**	**0.25**
Glass and Ceramics											
Tariq Glass Industries Limited	10,000	-	-	10,000	-	-	-	-	**-**	**-**	**-**

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / right issue	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to: Net assets of the Fund	Percentage in relation to: Paid-up capital of investee company (with face value of investment)	Percentage in relation to: Total market value of investments
	------------------------ (Number of shares) ------------------------					-------------- (Rupees in '000) --------------			----------------------% ----------------------		
Oil and Gas Exploration Companies											
Attock Petroleum Limited	-	25,000	-	-	25,000	7,625	5,900	(1,725)	0.53	0.03	0.59
Oil and Gas Development Company Limited	1,319,800	650,000	-	1,094,500	875,300	101,839	67,389	(34,449)	6.03	0.02	6.75
Mari Petroleum Company Limited	60,720	33,500	6,072	-	100,292	95,966	89,370	(6,596)	7.99	0.08	8.95
Pakistan Oilfields Limited	93,950	50,000	-	400	143,550	55,505	37,640	(17,864)	3.37	0.05	3.77
Pakistan Petroleum Limited	1,161,390	455,000	193,238	1,000,200	809,428	87,377	58,125	(29,252)	5.20	0.03	5.82
									23.11	**0.20**	**25.87**
Oil and Gas Marketing Companies											
Hascol Petroleum Limited (Note 6.2)	301,675	4,059,435	-	1,880,500	2,480,610	31,887	28,899	(2,987)	2.58	1.25	2.89
Pakistan State Oil Company Limited (Note 6.2)	323,348	255,800	55,829	254,500	380,477	52,583	46,228	(6,355)	4.13	0.08	4.63
Sui Northern Gas Pipelines Limited	1,317,400	-	-	748,500	568,900	39,533	20,992	(18,540)	1.88	0.09	2.10
									8.60	**1.42**	**9.62**
Paper and Board											
Cherat Packaging Limited	21,752	-	825	22,577	-	-	-	-	-	-	-
Packages Limited	51,350	-	-	20,000	31,350	9,423	7,158	(2,265)	0.64	0.04	0.72
									0.64	**0.04**	**0.72**
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	50	-	-	-	50	24	16	(8)	-	-	-
AGP Limited	289,000	-	-	151,500	137,500	9,423	11,344	1,921	1.01	0.05	1.14
GlaxoSmithKline Consumer Healthcare Limited	47,000	7,400	-	-	54,400	11,195	10,856	(339)	0.97	0.05	1.09
The Searle Company Limited (Note 6.2)	132,849	30,000	-	85,000	77,849	12,230	12,211	(20)	1.09	0.04	1.22
									3.08	**0.13**	**3.44**
Power Generation and Distribution											
K-Electric Limited (note 6.1.1)	11,955,000	3,000,000	-	3,315,500	11,639,500	47,293	32,940	(14,353)	2.95	0.04	3.30
The Hub Power Company Limited	942,512	1,206,500	-	558,000	1,591,012	117,001	108,618	(8,383)	9.71	0.12	10.87
									12.66	**0.16**	**14.17**
Technology and Communication											
Avanceon Limited	147,000	-	-	147,000	-	-	-	-	-	-	-
Pakistan Telecommunication Company Limited	100,000	-	-	100,000	-	-	-	-	-	-	-
Systems Limited	79,200	25,000	-	25,000	79,200	8,027	8,802	776	0.79	0.06	0.88
									0.79	**0.06**	**0.88**
Textile Composite											
Interloop Limited	724,712	-	-	232,000	492,712	21,812	17,669	(4,144)	1.58	0.06	1.77
Nishat Mills Limited	398,400	25,000	-	282,400	141,000	12,989	8,281	(4,708)	0.74	0.04	0.83
									2.32	**0.10**	**2.60**
Textile Weaving											
Feroze1888 Mills Limited	131,000	3,500	-	-	134,500	13,541	10,543	(2,997)	**0.94**	**0.04**	**1.06**
Rights Certificates											
Oil And Gas Marketing Companies											
Hascol Petroleum Limited *			150,000	150,000	-	-	-	-	-	-	-
Total						**1,185,197**	**998,934**	**(186,263)**			**100%**

*The right certificates were exercised during the period and the shares are included in the investment in Hascol Petroleum Limited.

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which have a nominal value of Rs 3.5 each and Agriauto Industries Limited which have a nominal value of Rs 5 each.

6.1.2 Investments include 105,000 shares (June 30, 2019: 105,000 shares) of Engro Corporation Limited, having market value of Rs 28.024 million (June 30, 2019: Rs 32.96 million) as at March 31, 2020, which have been pledged with National Clearing Company of Pakistan for guaranteeing settlement of Fund's trades in accordance with Circular 11 dated October 23, 2007 by SECP.

6.2 The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2019. As at March 31, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.861 million (June 30, 2019: Rs. 1.209 million).

7.	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
			(Rupees in '000)	
	Charity payable		3,395	1,933
	Brokerage payable		2,479	1,455
	Auditors' remuneration payable		147	195
	Withholding tax payable		5	26
	Capital gain tax payable		13	1
	Provision for Sindh Workers' Welfare Fund (SWWF)	7.1	10,080	10,080
	Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	7.2	482	482
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	7.2	145	145
	Shariah advisory fee payable		374	266
	Zakat payable		33	4
			17,153	14,587

7.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/ mutual funds, the MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in the condensed interim financial statements, the NAV per unit of the Fund would have been higher by Re 0.01 per unit as at March 31, 2020 (June 30, 2019 : 0.19 per unit).

7.2 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 percent 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 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 01 July 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 30 June 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 01, 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 (June 30, 2019: Rs 0.627 million) is being retained in the condensed interim financial statements as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value per unit of the Fund as at March 31, 2020 would have been higher by Re 0.02 (June 30, 2019: Re 0.01) per unit.

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

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

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to equity funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

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

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

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	1,638	2,383
Sindh Sales Tax on management fee payable	213	310
Sales load payable	63	16
Sindh sales tax on sales load payable	9	2
Allocated expense payable	109	159
Selling & marketing expense payable	1,495	2,044

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Meezan Bank Limited		
Sales load payable	1	47
Sindh Sales Tax on sales load payable	0	6
Bank balance	91,124	6,620
Profit receivable on saving account	1,298	37
Investment in 528,446 shares (June,30 2019: 528,446 shares)	34,397	46,059
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	170	472
Sindh Sales Tax on trustee fee payable	22	61
Security deposit	100	100
Directors and Executives of the Management Company		
Investments as at March 31, 2020: 80,400 units (June 30, 2019: 30,242 units)	2,523	1,072

	For the nine months period ended March 31,	
	2020	2019
	(Rupees in '000) (Unaudited)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration for the period	18,100	29,916
Sindh Sales Tax on management fee for the period	2,353	3,889
Allocated expenses	1,207	1,994
Selling and marketing expense	4,827	7,978
Meezan Bank Limited		
Shares purchased during the period: 50,000 shares (March 31, 2019: 701,000 shares)	3,925	61,598
Shares disposed off during the period: 50,000 shares (March 31, 2019: 304,000 shares)	4,313	27,484
Bonus shares issued: nil shares (March 31, 2019: 12,541 shares)	-	1,053
Profit on saving account	6,411	844
Dividend income	2,139	908
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration for the period	1,958	2,745
Sindh Sales Tax on trustee fee for the period	255	357
CDS charges	64	39
Directors and Executives of the Management Company		
Units issued: 146,907 (March 31, 2019: 1,187,416 units)	5,365	50,076
Units redeemed: 96,751 units (March 31, 2019: Nil units)	3,240	-

11. ALLOCATED EXPENSES

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

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund.

12. TAXATION

The Fund's income is exempt from income tax as per 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 the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains 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 atleast 90 percent of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders. The fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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

13. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 2.82% which include 0.24% representing government levy and SECP fee.

14. SELLING AND MARKETING EXPENSES

The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e from January 1, 2017 till March 31, 2020). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the current period, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions.

Accordingly, the management company based on its own discretion has currently determined a capping of 0.4% of the average annual net assets of the fund for charging of selling and marketing expenses to the Fund which has also been approved by the Board.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

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

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

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

As at March 31, 2020, the Fund held the following financial instruments measured at fair values:

	As at March 31, 2020			
ASSETS	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Shares of listed compnaies 'ordinary shares'	998,934	-	-	998,934

	As at June 30, 2019			
ASSETS	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Shares of listed companies 'ordinary shares'	1,448,626	-	-	1,448,626

16. GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees.

16.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements during the period.

17. DATE OF AUTHORISATION FOR ISSUE

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive **Chief Financial Officer** **Director**

MEEZAN DEDICATED EQUITY FUND (MDEF)

Meezan Dedicated Equity Fund aims to provide Fund of Funds scheme a dedicated platform to seek long term capital appreciation.

Peshawar Branch

BUILDING ON THE VALUES OF GROWTH IN THE CITY OF FLOWERS

FUND INFORMATION

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director – PKIC

CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY
Syed Owais Wasti

AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

HUMAN RESOURSE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

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
Meezan Bank Limited

BANKERS TO THE FUND
Al Baraka Islamic Bank B.S.C (E.C)
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited

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

TRANSFER AGENT
Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS
Al Meezan Investment Management Limited
Meezan Bank Limited

MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2020

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
Assets			
Balances with banks	5	**42,162**	110,688
Investments	6	**419,820**	1,658,927
Dividend receivable		**3,854**	1,120
Advances, prepayments and other receivables		**4,396**	1,886
Total assets		**470,232**	1,772,621
Liabilities			
Payable to Al Meezan Investment Management Limited - the Management Company		**2,682**	5,286
Payable to Central Depository Company of Pakistan Limited - the Trustee		**150**	263
Payable to the Securities and Exchange Commission of Pakistan	8	**179**	1,864
Payable against redemption and conversion of units		**-**	1,500
Accrued expenses and other liabilities	9	**4,936**	2,634
Total liabilities		**7,947**	11,547
Net assets		**462,285**	1,761,074
Contingencies and commitments	7		
Unit holders' fund (as per statement attached)		**462,285**	1,761,074
		(Number of units)	
Number of units in issue		**16,378,352**	49,596,421
		(Rupees)	
Net asset value per unit		**28.2253**	35.5081

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020 (UNAUDITED)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2020	2019	2020	2019
		(Rupees in '000)		(Rupees in '000)	
Income					
Net realised loss on sale of investments		**(159,599)**	(150,415)	**(107,609)**	(94,123)
Dividend income		**44,459**	54,668	**5,710**	12,616
Profit on saving accounts with banks		**7,201**	5,688	**1,871**	3,903
Other income		**500**	-	**-**	-
		(107,439)	(90,059)	**(100,028)**	(77,604)
Net unrealised (diminution) / appreciation on re-measurement of investments 'at fair value through profit or loss'	6.1	**(88,009)**	(169,256)	**(257,580)**	84,760
Total loss		**(195,448)**	(259,315)	**(357,608)**	7,156
Expenses					
Remuneration of Al Meezan Investment Management Limited - the Management Company		**17,555**	30,617	**5,498**	10,713
Sindh Sales Tax on remuneration of the Management Company		**2,282**	3,980	**715**	1,393
Remuneration of Central Depository Company of Pakistan Limited - the Trustee		**1,609**	2,282	**500**	783
Sindh Sales Tax on remuneration of Trustee		**212**	297	**68**	102
Annual fee to the Securities and Exchange Commission of Pakistan	8	**179**	1,454	**55**	509
Auditors' remuneration		**341**	190	**37**	37
Fees and subscription		**422**	419	**139**	138
Brokerage expenses		**3,875**	3,165	**2,078**	1,626
Bank and settlement charges		**299**	283	**179**	120
Allocated expenses	11	**878**	1,531	**275**	536
Selling and marketing expenses	12	**3,511**	6,123	**1,100**	2,142
Charity expense		**1,225**	824	**191**	173
Provision for Sindh Workers' Welfare Fund (SWWF)		**-**	-	**(2,812)**	-
Printing expenses		**10**	30	**-**	10
Total expenses		**32,398**	51,195	**8,023**	18,282
Net loss for the period before taxation		**(227,846)**	(310,510)	**(365,631)**	(11,126)
Taxation	14	**-**	-	**-**	-
Net loss for the period after taxation		**(227,846)**	(310,510)	**(365,631)**	(11,126)
Allocation of net income for the period					
Net income for the period after taxation		**-**	-		
Income already paid on units redeemed		**-**	-		
		-	-		

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive | **Chief Financial Officer** | **Director**

MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020 (UNAUDITED)

	Nine Months period ended March 31,		Quarter ended March 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
Net loss for the period after taxation	**(227,846)**	(310,510)	**(365,631)**	(11,126)
Other comprehensive income for the period	**-**	-	**-**	-
Total comprehensive loss for the period	**(227,846)**	(310,510)	**(365,631)**	(11,126)

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Nine Months period ended March 31, 2020			Nine Months period ended March 31, 2019		
	Capital Value	Accumu-lated loss	Total	Capital Value	Accumu-lated loss	Total
	----------------(Rupees in '000)----------------			----------------(Rupees in '000)----------------		
Net assets at the beginning of the period	**2,436,503**	**(675,429)**	**1,761,074**	1,925,907	(69,075)	1,856,832
Issue of 42,720,772 units (2019: 78,744,304 units)						
- Capital value (at net asset value per unit at the beginning of the period)	**1,516,934**		**1,516,934**	3,821,831	-	3,821,831
- Element of income / (loss)	**36,281**		**36,281**	(217,330)	-	(217,330)
Total proceeds on issuance of units	**1,553,215**	**-**	**1,553,215**	3,604,501	-	3,604,501
Redemption of 75,938,842 units (2019: 71,648,208 units)						
- Capital value (at net asset value per unit at the beginning of the period)	**2,696,444**		**2,696,444**	3,477,424	-	3,477,424
- Element of income	**(72,286)**		**(72,286)**	(235,181)	-	(235,181)
Total payments on redemption of units	**2,624,158**	**-**	**2,624,158**	3,242,243	-	3,242,243
Total comprehensive loss for the period		**(227,846)**	**(227,846)**	-	(310,510)	(310,510)
Distribution during the period		**-**	**-**	-	-	-
Net loss for the period less distribution	**-**	**(227,846)**	**(227,846)**	-	(310,510)	(310,510)
Net assets at the end of the period	**1,365,560**	**(903,275)**	**462,285**	**2,288,165**	**(379,585)**	**1,908,580**
Accumulated loss brought forward						
- Realised (loss) / income		**(336,679)**			14,740	
- Unrealised loss		**(338,750)**			(83,815)	
		(675,429)			(69,075)	
Accounting income available for distribution						
- Relating to capital gains		**-**			-	
- Excluding capital gains		**-**			-	
		-			-	
Net loss for the period after taxation		**(227,846)**			(310,510)	
Distribution during the period		**-**			-	
Accumulated loss carried forward		**(903,275)**			(379,585)	
Accumulated loss carried forward						
- Realised loss		**(815,266)**			(210,329)	
- Unrealised loss		**(88,009)**			(169,256)	
		(903,275)			(379,585)	
			(Rupees)			**(Rupees)**
Net assets value per unit at the beginning of the period			**35.5081**			48.5347
Net assets value per unit at the end of the period			**28.2253**			42.0819

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

MEEZAN DEDICATED EQUITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

Meezan
Dedicated Equity Fund

	Nine Months period ended 'March 31	
	2020	2019
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period before taxation	(227,846)	(310,510)
Adjustments for		
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss'	88,009	169,256
	(139,837)	(141,254)
Decrease / (Increase) in assets		
Investments - net	1,151,098	(209,158)
Dividend receivable	(2,734)	(10,530)
Receivable against sale of investments	-	(14,580)
Advances, prepayments and other receivables	(2,510)	(1,351)
	1,145,854	(235,619)
(Decrease) / Increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	(2,604)	3,502
Payable to Central Depository Company of Pakistan Limited - Trustee	(113)	12
Payable to Securities and Exchange Commission of Pakistan	(1,685)	532
Payable against purchase of investments	-	17,755
Accrued expenses and other liabilities	2,302	998
	(2,100)	22,799
Net cash generated from / (used in) operating activities	1,003,917	(354,074)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	1,553,215	3,604,501
Payment against redemption and conversion of units	(2,625,658)	(3,242,243)
Net cash (used in) / generated from financing activities	(1,072,443)	362,258
Net (decrease) / increase in cash and cash equivalents during the period	(68,526)	8,184
Cash and cash equivalents at the beginning of the period	110,688	122,500
Cash and cash equivalents at the end of the period	42,162	130,684

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Dedicated Equity 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 October 9, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The 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 has been formed to enable the unit holders to participate in a diversified portfolio of securities, which are Shariah compliant. 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.

1.3 The Fund is an open-end Shariah Compliant Equity 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.

1.4 The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the 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 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 International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

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

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund’s accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund’s financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2019.

4.3 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, 2019. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	**Note**	**March 31, 2020 (Unaudited)**	**June 30, 2019 (Audited)**
		(Rupees in '000)	
In saving accounts	5.1	**39,774**	109,870
In current accounts		**2,388**	818
		42,162	110,688

5.1 The balances in saving accounts have an expected profit ranging from 3.63% to 13.00% per annum. (June 30, 2019: 3.32 % to 12.35% per annum).

6.	INVESTMENTS	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
			(Rupees in '000)	
	Investments - 'at fair value through profit or loss'	6.1	**419,820**	1,658,927
			419,820	1,658,927

6.1 Investments - 'at fair value through profit or loss'

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus issue / Right shares	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to: Net assets of the fund	Paid up capital of investee company (with face value of investment)	Percentage of total market value of investment
	---- Number of shares ----					---- (Rupees in '000) ----			---- % ----		
Sectors / companies											
Automobile Assembler											
Ghandhara Industries Limited	19,300	-	-	19,300	-	-	-	-	-	-	-
Ghandhara Nissan Limited	158	-	-	158	-	-	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	300	6,300	-	6,600	-			-	-	-	-
Indus Motor Company Limited	-	11,560	-	-	11,560	13,957	8,433	(5,524)	1.82	0.01	2.01
Millat Tractors Limited	800	10,000	-	10,800	-	-	-	-	-	-	-
									1.82	**0.01**	**2.01**
Automobile Parts & Accessories											
Agriauto Industries Limited (Note 6.1.1)	-	40,000	-	-	40,000	8,331	6,410	(1,921)	1.39	0.28	1.53
									1.39	**0.28**	**1.53**
Commercial Banks											
BankIslami Pakistan Limited	-	665,000	-	150,000	515,000	5,822	4,645	(1,177)	1.00	0.05	1.11
Meezan Bank Limited (an associate)	575,505	15,000	-	244,500	346,005	30,289	22,521	(7,768)	4.87	0.03	5.36
									5.87	**0.08**	**6.47**
Cement											
Attock Cement Pakistan Limited	15,200	-	-	-	15,200	1,085	1,313	227	0.28	0.01	0.31
Cherat Cement Company Limited	-	295,000	6,500	251,500	50,000	3,236	2,770	(466)	0.60	0.03	0.66
D.G. Khan Cement Company Limited	206,100	356,000	-	489,100	73,000	5,539	4,325	(1,213)	0.94	0.02	1.03
Fauji Cement Company Limited	-	925,000	-	623,500	301,500	5,346	4,465	(880)	0.97	0.02	1.06
Kohat Cement Company Limited	274,370	50,000	-	184,000	140,370	8,334	12,247	3,913	2.65	0.07	2.92
Lucky Cement Limited	313,650	145,000	-	391,000	67,650	27,375	25,078	(2,297)	5.42	0.02	5.97
Maple Leaf Cement Factory Limited	400,000	615,500	-	807,500	208,000	5,328	4,310	(1,019)	0.93	0.04	1.03
									11.79	**0.21**	**12.98**
Chemical											
Engro Polymer & Chemicals Limited	1,324,644	1,159,500	-	2,273,000	211,144	6,586	5,177	(1,409)	1.12	0.02	1.23
ICI Pakistan Limited	51,100	5,000	-	28,800	27,300	14,897	13,823	(1,075)	2.99	0.03	3.29
Lotte Chemical Pakistan Limited	294,000	1,265,000	-	1,494,000	65,000	813	639	(174)	0.14	-	0.15
									4.25	**0.05**	**4.67**
Engineering											
Amreli Steels Limited	-	150,000	-	104,000	46,000	1,381	1,182	(199)	0.26	0.02	0.28
International Industries Limited	38,800	70,000	-	108,800	-	-	-	-	-	-	-
International Steels Limited	255,000	425,000	-	627,000	53,000	2,795	1,918	(877)	0.41	0.01	0.46
Mughal Iron & Steel Industries Limited	-	154,500	-	125,000	29,500	1,032	924	(107)	0.20	0.01	0.22
									0.87	**0.04**	**0.96**
Fertilizer											
Engro Corporation Limited	606,830	210,200	-	673,900	143,130	40,291	38,201	(2,089)	8.26	0.02	9.10
Dawood Hercules Corporation Limited	-	16,500	-	-	16,500	2,677	1,710	(967)	0.37	-	0.41
Engro Fertilizers Limited	1,365,000	491,000	-	1,636,500	219,500	12,894	12,656	(237)	2.74	0.02	3.01
									11.37	**0.04**	**12.52**
Food And Personal Care											
At Tahur Limited	83	-	8	-	91	2	1	(0)	-	-	-
									-	**-**	**-**
Glass And Ceramics											
Tariq Glass Industries Limited	142,500	-	-	142,500	-	-	-	-	-	-	-
Ghani Glass Limited	-	100,000	-	-	100,000	5,198	3,719	(1,479)	0.80	0.02	0.89
									0.80	**0**	**0.89**

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus issue / Right shares	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain / (loss) as at March 31, 2020	Percentage in relation to: Net assets of the fund	Paid up capital of investee company (with face value of	Percentage of total market value of investment
	------------------------- Number of shares					----------------- (Rupees in '000)		-----------------	-------------------%-----------------		
Oil & Gas Exploration Companies											
Mari Petroleum Company Limited	93,360	22,400	6,688	69,040	53,408	53,399	47,592	(5,807)	10.29	0.04	11.34
Oil & Gas Development Company Limited	1,430,900	351,000	-	1,488,700	293,200	34,981	22,573	(12,408)	4.88	0.01	5.38
Pakistan Oilfields Limited	305,560	21,100	-	315,600	11,060	3,584	2,900	(684)	0.63	-	0.69
Pakistan Petroleum Limited	1,107,500	681,220	-	1,566,700	222,020	17,962	15,943	(2,019)	3.45	0.01	3.81
									19.25	**0.06**	**21.22**
Oil & Gas Marketing Companies											
Attock Petroleum Limited	35,000	30,000	-	31,000	34,000	11,180	8,024	(3,155)	1.74	0.03	1.91
Hascol Petroleum Limited	326,230	1,769,218	-	1,439,500	655,948	9,970	7,642	(2,329)	1.65	0.33	1.82
Pakistan State Oil Company Limited	438,260	380,500	32,112	729,100	121,772	16,802	14,795	(2,006)	3.20	0.03	3.52
Sui Northern Gas Pipelines Limited	1,231,100	361,000	-	1,338,500	253,600	18,313	9,358	(8,955)	2.02	0.04	2.23
Sui Southern Gas Company Limited	9,500	-	-	9,500	-	-	-	-	-	-	-
									8.61	**0.43**	**9.48**
Paper & Board											
Cherat Packaging Limited	32,100	-	-	32,100	-	-	-	-	-	-	-
Packages Limited	20,350	-	-	-	20,350	6,116	4,646	(1,470)	1.01	0.02	1.11
									1.01	**0.02**	**1.11**
Pharmaceuticals											
AGP Limited	233,000	3,000	-	179,000	57,000	3,925	4,703	778	1.02	0.02	1.12
Glaxosmithkline Consumer Healthcare	15,000	25,200	-	12,200	28,000	7,055	5,588	(1,468)	1.21	0.02	1.33
Highnoon Labortories Limited	25,000	-	-	11,000	14,000	7,490	6,980	(510)	1.51	0.01	1.66
The Searle Company Limited	218,055	43,000	-	232,200	28,855	4,586	4,526	(60)	0.98	0.01	1.08
									4.72	**0.06**	**5.19**
Power Generation & Distribution											
K-Electric Limited (note 6.1.1)	10,961,500	400,000	-	8,707,000	2,654,500	33,022	28,238	(4,784)	6.11	0.01	6.73
The Hub Power Company Limited	1,323,117	131,000	-	1,040,500	413,617	11,634	7,512	(4,121)	1.63	0.03	1.79
									7.74	**0.04**	**8.52**
Refinery											
Attock Refinery Limited	1,000	-	-	1,000	-	-	-	-	-	-	-
									-	**-**	**-**
Technology & Communication											
Avanceon Limited	290,300	50,000	-	340,300	-	-	-	-	-	-	-
Netsol Technologies Limited	206,900	104,000	-	310,900	-	-	-	-	-	-	-
Systems Limited	102,500	44,500	-	25,000	122,000	12,742	13,559	817	2.93	0.10	3.23
									2.93	**0.10**	**3.23**
Textile Composite											
Feroze1888 Mills Limited	236,500	500	-	60,000	177,000	17,853	13,875	(3,978)	3.00	0.05	3.30
Interloop Limited	883,382	-	-	496,500	386,882	17,127	13,874	(3,254)	3.00	0.04	3.30
Nishat Mills Limited	384,400	300,000	-	568,200	116,200	10,811	6,824	(3,986)	1.48	0.03	1.63
									7.48	**0.12**	**8.23**
Vanaspati & Allied Industries											
Unity Foods Limited	287,376	850,000	-	712,376	425,000	6,067	4,199	(1,868)	0.91	0.08	1.00
									0.91	**0.08**	**1.00**
Right Certificates											
Oil And Gas Marketing Companies											
Hascol Petroleum Limited *	-	-	846,920	846,920	-	-	-	-	-	-	-
Total						**507,829**	**419,820**	**(88,009)**			**100**

*The right certificates were exercised during the period and the shares are included in the investment in Hascol Petroleum Limited.

6.1.1 All shares have a nominal value of Rs. 10 each except for the shares of K-Electric Limited and Agriauto Industries Limited which have a nominal value of Rs. 3.50 and Rs. 5 each respectively.

6.2 The status of bonus shares already withheld prior to the introduction of Finance Act, 2018 is the same as that disclosed in the audited financial statements of the Fund for the year ended June 30, 2019. As at March 31, 2020, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.1373 million (June 30, 2019: Rs. 0.23 million)..

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to equity funds was 0.095%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

9. ACCRUED EXPENSES AND OTHER LIABILITIES

		March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
Withholding tax payable		**5**	5
Printing expenses payable		**69**	60
Auditors' remuneration payable		**262**	150
Brokerage payable		**1,963**	640
Charity payable		**2,241**	1,516
Provision for Sindh Worker's Welfare Fund	9.1	**-**	-
Shariah advisor fee payable		**396**	263
		4,936	2,634

9.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, the MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act (i.e. starting from May 21, 2015).

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the management company and the trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

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

Balances	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	1,334	3,013
Sindh Sales Tax payable on management fee	174	392
Selling and marketing expenses payable	1,100	1,723
Allocated expense payable	74	158
Meezan Bank Limited		
Balances with bank	30,558	32,482
Profit receivable on saving accounts	563	297
Investment in shares: 346,005 shares (June 30, 2019: 575,505 shares)	22,521	50,164
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	133	233
Sindh Sales Tax on trustee fee payable	17	30
Security deposit	103	103
Meezan Financial Planning Fund of Funds MAAP I		
Investment of 2,565,112 units (June 30, 2019: 11,269,149 units)	72,401	400,146
Meezan Strategic Allocation Fund MSAP - I		
Investment of 5,185,522 units (June 30, 2019: 8,724,481 units)	146,363	309,790
Meezan Strategic Allocation Fund MSAP - II		
Investment of 320,475 units (June 30, 2019: 1,238,827 units)	9,046	43,988
Meezan Strategic Allocation Fund MSAP - III		
Investment of 919,247 units (June 30, 2019: 1,980,130 units)	25,946	70,311
Meezan Strategic Allocation Fund MSAP - IV		
Investment of 564,240 units (June 30, 2019: 1,740,577 units)	15,926	61,805
Meezan Strategic Allocation Fund MSAP - V		
Investment of 208,784 units (June 30, 2019: 978,486 units)	5,893	34,744
Meezan Strategic Allocation Fund MCPP-III		
Investment of 1,147,234 units (June 30, 2019: 5,644,620 units)	32,381	200,430
Meezan Strategic Allocation Fund - II MCPP-IV		
Investment of 2,989,409 units (June 30, 2019: 10,044,192 units)	84,377	356,650
Meezan Strategic Allocation Fund - II MCPP-V		
Investment of 704,552 units (June 30, 2019: 3,081,261 units)	19,886	109,410
Meezan Strategic Allocation Fund - II MCPP-VI		
Investment of 491,230 units (June 30, 2019: 2,745,310 units)	13,865	97,481
Meezan Strategic Allocation Fund - II MCPP-VII		
Investment of 540,544 units (June 30, 2019: 1,477,397 units)	15,257	52,460
Meezan Strategic Allocation Fund - II MCPP-VIII		
Investment of 276,379 units (June 30, 2019: 518,566 units)	7,801	18,413
Meezan Strategic Allocation Fund - III MCPP-IX		
Investment of 465,625 units (June 30, 2019: 153,424 units)	13,142	5,448

Transactions during the period	Nine Months period ended 'March 31 2020	2019
	(Unaudited)	
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration for the period	17,555	30,617
Sindh Sales Tax on management fee for the period	2,282	3,980
Allocated expenses	878	1,531
Selling and marketing expense	3,511	6,123
Meezan Bank Limited		
Profit on saving account	5,300	1,960
Shares purchased during the period: 15,000 shares (March 31, 2019: 835,500 shares)	1,508	75,604
Bonus shares received: nil shares (March 31, 2019: 10,050 shares)	-	-
Shares sold during the period: 244,500 shares (March 31, 2019: 450,500 shares)	19,363	41,281
Dividend income	1,963	-
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration for the period	1,609	2,282
Sindh Sales Tax on trustee fee	212	297
CDS charges	95	97
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 1,724,404 units (March 31, 2019: 602,460 units)	50,000	26,000
Units redeemed: 10,428,442 units (March 31, 2019: 1,279,918 units)	353,940	58,740
Meezan Financial Planning Fund of Funds MAAP - IV		
Units redeemed: nil units (March 31, 2019: 2,136,720 units)	-	99,023
Meezan Strategic Allocation Fund MSAP - I		
Units issued: 4,414,737 units (March 31, 2019: 14,059,235 units)	128,000	658,000
Units redeemed: 7,953,695 units (March 31, 2019: 8,349,383 units)	275,200	382,630
Meezan Strategic Allocation Fund MSAP - II		
Units redeemed: 918,352 units (March 31, 2019: 245,916 units)	38,300	11,280
Meezan Strategic Allocation Fund MSAP - III		
Units issued: 1,548,585 units (March 31, 2019: nil units)	57,000	-
Units redeemed: 2,609,468 units (March 31, 2019: 276,117 units)	93,500	12,420
Meezan Strategic Allocation Fund MSAP - IV		
Units issued: 2,449,025 units (March 31, 2019: nil units)	80,716	-
Units redeemed: 3,625,362 units (March 31, 2019: 394,294 units)	144,364	18,130
Meezan Strategic Allocation Fund MSAP - V		
Units redeemed: 769,702 units (March 31, 2019: 538,246 units)	29,650	24,450
Meezan Strategic Allocation Fund MCPP-III		
Units issued: 12,368,863 units (March 31, 2019: 12,839,759 units)	461,000	591,200
Units redeemed: 16,866,250 units (March 31, 2019: 12,739,305 units)	569,877	572,632
Meezan Strategic Allocation Fund -II MCPP-IV		
Units issued: 9,955,836 units (March 31, 2019: 33,632,924 units)	394,000	1,560,719
Units redeemed: 17,010,620 units (March 31, 2019: 33,663,755 units)	580,010	1,556,412
Meezan Strategic Allocation Fund -II MCPP-V		
Units issued: 1,716,536 units (March 31, 2019: 10,885,956 units)	68,000	501,566
Units redeemed: 4,093,246 units (March 31, 2019: 10,443,723 units)	142,040	477,699
Meezan Strategic Allocation Fund-II MCPP-VI		
Units issued: 1,387,674 units (March 31, 2019: 7,829,044 units)	56,000	357,000
Units redeemed: 3,641,754 units (March 31, 2019: 4,978,882 units)	123,020	222,744

	Nine Months period ended 'March 31	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
Meezan Strategic Allocation Fund-II MCPP-VII		
Units issued: 1,084,461 units (March 31, 2019: 4,502,839 units)	43,500	199,900
Units redeemed: 2,021,314 units (March 31, 2019: 3,096,933 units)	69,180	135,962
Meezan Strategic Allocation Fund-II MCPP-VIII		
Units issued: 2,844,086 units (March 31, 2019: 1,188,465 units)	101,000	53,000
Units redeemed: 3,086,273 units (March 31, 2019: 348,955 units)	105,829	15,000
Meezan Strategic Allocation Fund-III MCPP-IX		
Units issued: 3,213,589 units (March 31, 2019: nil units)	113,500	-
Units redeemed: 2,901,388 units (March 31, 2019: nil units)	98,750	-

11. ALLOCATED EXPENSES

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

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund.

12. SELLING AND MARKETING EXPENSES

The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the current period, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board as part of annual plan. Furthermore, the time limit of three

Accordingly, the management company based on its own discretion has currently determined a capping of 0.4% of the average annual net assets of the fund for charging of selling and marketing expenses to the Fund which has also been approved by the Board.

13. TOTAL EXPENSE RATIO

The Total Expense Ratio of the Fund for the nine months period ended March 31, 2020 is 3.69% which includes 0..36% representing government levy and SECP fee.

14. TAXATION

The Fund's income is exempt from income tax as per 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 the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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

15. FINANCIAL INSTRUMENTS - FAIR VALUES

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

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

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

15.1. Fair value hierarchy

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

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.

- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	As at March 31, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
ASSETS	------------------------------ (Rupees in '000) ------------------------------			
Financial assets 'at fair value through profit or loss'	**419,820**	**-**	**-**	**419,820**

	As at June 30, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
ASSETS	------------------------------ (Rupees in '000) ------------------------------			
Financial assets 'at fair value through profit or loss'	1,658,927	-	-	1,658,927

16. GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees.

16.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

17. DATE OF AUTHORISATION

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

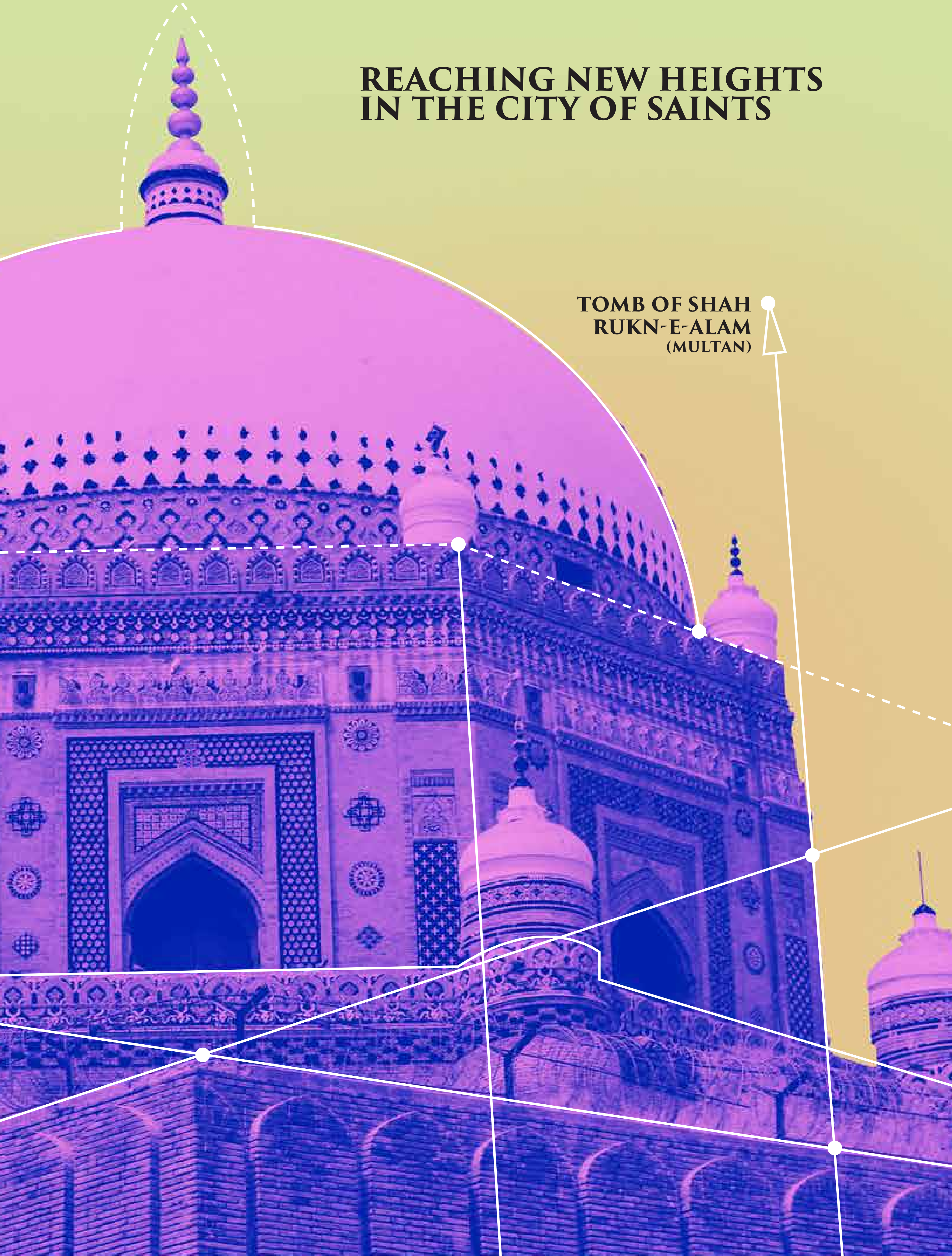
Meezan
Gold Fund

MEEZAN GOLD FUND (MGF)

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

Multan Branch

REACHING NEW HEIGHTS IN THE CITY OF SAINTS



TOMB OF SHAH
RUKN-E-ALAM
(MULTAN)

FUND INFORMATION

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director – PKIC

CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY
Syed Owais Wasti

AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

HUMAN RESOURSE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

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
Meezan Bank Limited

BANKERS TO THE FUND
Bank Al Habib Limited- Islamic Banking
Meezan Bank Limited
Sindh Bank Limited
UBL Ameen - Islamic Banking

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

TRANSFER AGENT
Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS
Al Meezan Investment Management Limited
Meezan Bank Limited

MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2020

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
Assets			
Balances with banks	5	77,200	86,014
Investment in gold	6	340,587	364,344
Profit receivable on saving accounts		718	227
Receivable against sale of investments - net		881	3,065
Receivable against conversion of units		703	18,716
Deposits,prepayments and others		7,357	11,850
Total assets		427,446	484,216
Liabilities			
Payable to Al Meezan Investment Management Limited - the Management Company		907	776
Payable to Central Depository Company of Pakistan Limited - the Trustee		64	131
Payable to the Securities and Exchange Commission of Pakistan		69	224
Payable against conversion and redemption of units		577	288
Payable against purchase of investments - net		1,656	684
Payable to Meezan Bank Limited		72	6
Accrued expenses and other liabilities	10	5,331	4,546
Total liabilities		8,676	6,655
Net assets		418,770	477,561
Contingencies and commitments	8		
Unit holders' fund (as per statement attached)		418,770	477,561
		(Number of units)	
Number of units in issue		5,557,983	7,008,422
		(Rupees)	
Net asset value per unit		75.3457	68.1410

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive **Chief Financial Officer** **Director**

MEEZAN GOLD FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Note	Nine months period ended, March 31, 2020	Nine months period ended, March 31, 2019	Quarter ended, March 31, 2020	Quarter ended, March 31, 2019
		(Rupees in '000)		(Rupees in '000)	
Income					
Realised gain on sale of investments		7,699	5,257	1,577	3,445
Profit on saving accounts with banks		4,889	1,216	1,358	444
Price adjustment charges	12	8,972	4,593	3,789	1,108
		21,560	11,066	6,724	4,997
Unrealised appreciation / (diminution) on re-measurement of investment in gold	6	29,034	29,510	9,703	(2,095)
Total income		50,594	40,576	16,427	2,902
Expenses					
Remuneration of Al Meezan Investment Management Limited - the Management Company		3,438	2,061	952	721
Sindh Sales Tax on remuneration of Management Company		447	268	124	94
Allocated expenses	9	344	206	95	72
Selling and marketing expenses	15	1,375	645	381	288
Remuneration of Central Depository Company of Pakistan Limited - the Trustee		585	350	162	122
Sindh Sales Tax on remuneration of the Trustee		76	46	21	16
Annual fee to the Securities and Exchange Commission of Pakistan	7	69	155	19	54
Auditors' remuneration		243	241	54	43
Brokerage expense		50	35	7	7
Fees and subscription		300	261	126	86
Bank and settlement charges		636	545	88	106
Custodian expense		3,027	1,834	833	644
Provision for Sindh Workers' Welfare Fund (SWWF)	10	800	679	271	13
Printing expenses		-	1	-	-
Total expenses		11,390	7,327	3,133	2,266
Net income for the period before taxation		39,204	33,249	13,294	636
Taxation	14	-	-	-	-
Net income for the period after taxation		39,204	33,249	13,294	636
Allocation of net income for the period					
Net income for the period after taxation		39,204	33,249		
Income already paid on units redeemed		(15,085)	(5,080)		
		24,119	28,169		
Accounting income available for distribution					
- Relating to capital gains		36,733	34,767		
- Excluding capital gains		(12,614)	(6,598)		
		24,119	28,169		

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive | **Chief Financial Officer** | **Director**

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Nine months period March 31,		Quarter ended, March 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
Net income for the period after taxation	39,204	33,249	13,294	636
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	39,204	33,249	13,294	636

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	----------------(Rupees in '000)--------------			----------------(Rupees in '000)--------------		
Net assets at the beginning of the period	434,630	42,931	477,561	233,180	9,904	243,084
Issue of 5,496,122 units (2019: 3,937,521 units)						
- Capital value (at net asset value per unit at the beginning of the period)	374,511	-	374,511	223,130	-	223,130
- Element of income	32,788	-	32,788	12,094	-	12,094
Total proceeds on issuance of units	407,299	-	407,299	235,224	-	235,224
Redemption of 6,946,561 units (2019: 3,730,677 units)						
- Capital value (at net asset value per unit at the beginning of the period)	473,346	-	473,346	211,409	-	211,409
- Element of loss	16,864	15,085	31,949	5,693	5,080	10,773
Total payments on redemption of units	490,210	15,085	505,295	217,102	5,080	222,182
Total comprehensive income for the period	-	39,204	39,204	-	33,249	33,249
Distribution during the period	-	-	-	-	-	-
Net income for the period less distribution	-	39,204	39,204	-	33,249	33,249
Net assets at the end of the period	351,720	67,050	418,770	251,302	38,073	289,375
Undistributed income brought forward						
- Realised loss		(23,741)			(19,027)	
- Unrealised income		66,672			28,931	
		42,931			9,904	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains		36,733			34,767	
- Excluding capital gains		(12,614)			(6,598)	
		24,119			28,169	
Distribution for the period		-			-	
Undistributed income carried forward		67,050			38,073	
Undistributed income carried forward						
- Realised income		38,016			8,563	
- Unrealised income		29,034			29,510	
		67,050			38,073	
		(Rupees)			**(Rupees)**	
Net assets value per unit at the beginning of the period		68.1410			56.6676	
Net assets value per unit at the end of the period		75.3457			64.3558	

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	Chief Financial Officer	Director

MEEZAN GOLD FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

Meezan Gold Fund

	Note	Nine months period ended, March 31, 2020	2019
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		39,204	33,249
Adjustments for:			
Unrealised appreciation on re-measurement of investment in gold		(29,034)	(29,510)
		10,170	3,739
Decrease / (Increase) in assets			
Investments - net		52,791	(17,370)
Receivable against sale of investments - net		2,184	(440)
Profit receivable on saving accounts		(491)	(25)
Deposits and prepayments		4,493	(7)
		58,977	(17,842)
Increase / (Decrease) in liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		131	589
Payable to Central Depository Company of Pakistan Limited - Trustee		(67)	53
Payable to the Securities and Exchange Commission of Pakistan		(155)	(119)
Payable against purchase of investments - net		972	4,574
Payable to Meezan Bank Limited		66	(2)
Accrued expenses and other liabilities		785	882
		1,732	5,977
Net cash generated from / (used in) operating activities		70,879	(8,126)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units		425,312	238,740
Payment against conversion and redemption of units		(505,006)	(221,740)
Net cash (used in) / generated from financing activities		(79,693)	17,000
Net (decrease) / increase in cash and cash equivalents during the period		(8,814)	8,874
Cash and cash equivalents at the beginning of the period		86,014	29,332
Cash and cash equivalents at the end of the period	5	77,200	38,206

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Gold Fund is an open ended mutual fund constituted under a Trust Deed entered into on October 15, 2014 between Al Meezan Investment Management Company as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The Fund is registered as a Notified entity under Non-Banking Finance Companies and Notified Entities Regulations, (NBFC Regulations) issued through S.R.O.1203(I)/2008 on November 21, 2008. The Fund commenced its operations from August 18, 2015. The registered office of the Management Company is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shariah-e-Faisal, Karachi 74400, Pakistan.

1.2 The Fund is an open-ended Shariah Compliant (Islamic) Commodity Fund that aims to provide maximum exposure to prices of Gold in a Shariah Compliant (Islamic) manner by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on Pakistan Mercantile Exchange Limited (PMEX). Furthermore, all investments of the Fund's property shall be in accordance with the Shariah as advised by the Shariah Advisor. The Fund shall also be subject to the rules and regulations framed by the State Bank of Pakistan with regard to the foreign investments made by the Fund and investments made in the Fund from outside Pakistan in foreign currency. The investments in Gold contracts listed at the Commodity Exchange shall be subject to the PMEX Regulations and / or rules and regulations of the pertinent Commodity Exchange, if the Commodity Exchange is other than PMEX. All pertinent contracts, agreements and documents of PMEX shall be approved by Shariah advisor. Under the Trust Deed, all the conducts and acts of the fund are based on Shariah. 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 has been categorised as a Shariah compliant Commodity Scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs 50 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from August 13, 2015 and are transferable and redeemable by surrendering them to the Fund.

1.4 The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated March 31, 2020 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund. The fund is listed on Pakistan Stock Exchange Limited.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of repealed Companies Ordinance, 1984; and

- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, (the NBFC Regulations) and the requirements of the Trust Deed.

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

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, 2019.

4.2 The Fund’s financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

4.3 There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2019. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

			March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
5.	**BALANCES WITH BANKS**	**Note**	**(Rupees in '000)**	
	In saving accounts	5.1	77,106	85,920
	In current accounts		94	94
			77,200	86,014

5.1 The balance in saving accounts have an expected profit ranging from 3.7% to 13% per annum (June 30, 2019: 6.30% to 11.85% per annum).

			March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
6.	**INVESTMENTS**	**Note**	**(Rupees in '000)**	
	Investment in gold	6.1	340,587	364,344

6.1 Investment in gold

Commodity	As at July 1, 2019	Purchases during the period	Sales during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised gain	Percentage in relation to Net assets of the Fund
	---------------- (Tola) ----------------				----------- (Rupees in '000) -----------			--- (%) ---
TOLAGOLD	4,400	1,519	2,244	3,675	310,316	339,203	28,887	81.00%
MITOLA	15,000	-	-	15,000	1,238	1,385	147	0.33%
Total as at March 31, 2020					**311,553**	**340,587**	**29,034**	

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

6.1.2 The investment in gold of Rs 340.587 million (June 30, 2019: Rs 364.344 million) has been measured at fair value based on the quoted market price in active markets.

7. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019 has revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to a Commodity Fund was 0.075%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

9. ALLOCATED EXPENSES

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

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund.

10.	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
			(Rupees in '000)	
	Auditor's remuneration		132	175
	Custodian fee payable		139	257
	Provision for Sindh Worker's Welfare Fund (SWWF)	10.1	3,966	3,166
	Withholding tax payable		3	21
	Capital gain tax payable		103	51
	Shariah advisory fee payable		277	159
	Zakat payable		-	6
	Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	10.2	414	414
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	10.2	297	297
			5,331	4,546

10.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/mutual funds, MUFAP recommended that, as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in the condensed interim financial statements of the Fund for the period from May 21, 2015 to March 31, 2020, the net asset value per unit of the Fund as at March 31, 2020 would have been higher by Re 0.71 per unit (June 30, 2019: Re 0.45 per unit)

10.2 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 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 01, 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 01, 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 0.71 million is being retained in the condensed interim 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 Net Asset Value of the Fund as at June 30, 2019 would have been higher by Re 0.14 (June 30, 2019: Re 0.10) per unit.

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at March 31, 2020 is 3.31% which includes 0.41% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund (if any), sales taxes, annual fee to the SECP, etc. (June 30, 2019: 3.78% and 0.80%). This ratio is within the maximum limit of 3% (excluding government levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as a Commodity Scheme.

12. PRICE ADJUSTMENT CHARGES

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

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

13. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

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

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

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	337	297
Sindh Sales Tax on management fee payable	44	39
Sales load payable	99	29
Sindh Sales Tax on sales load payable	13	4
Selling and marketing expenses payable	381	373
Allocated expenses payable	34	30
Meezan Bank Limited		
Bank balance	53,474	38,321
Sales load payable	64	5
Sindh sales tax on sales load payable	8	1
Profit receivable on saving account	185	11
Investment of 1,084,712 units (June 30, 2019: 1,084,712 units)	81,728	75,548
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	57	116
Sindh Sales Tax on trustee fee payable	7	15
Directors and Executives of the Management Company		
Investment of 365,555 units (June 30, 2019: 284,312 units)	27,242	19,374
Unitholders holding 10% or more units of the Fund		
Investment of 1,272,869 units (June 30, 2019: 1,236,347 units)	95,905	84,246

	Nine months period ended, March 31,	
	2020	2019
	(Unaudited) (Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration for the period	3,438	2,061
Sindh Sales Tax on management fee for the period	447	268
Allocated expenses	344	206
Selling and marketing expense	1,375	645
Meezan Bank Limited		
Profit on saving account	1,431	355
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration for the period	585	350
Sindh Sales Tax on trustee fee for the period	76	46
Directors and Executives of the Management Company		
Units issued: 226,159 units (March 31, 2019: 137,239 units)	16,790	8,568
Units redeemed: 148,915 units (March 31, 2019: 27,814 units)	10,695	2,264

14. TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. No provision for taxation has been made in these condensed interim financial statements during the period since the net income of the fund only pertains to capital gains (realised and unrealised).

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

15. SELLING AND MARKETING EXPENSES

The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e from January 1, 2017 till March 31, 2020). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the current period, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board as part of annual plan. Furthermore, the time limit of three

Accordingly, the management company based on its own discretion has currently determined a capping of 0.4% of the average annual net assets of the fund for charging of selling and marketing expenses to the Fund which has also been approved by the Board.

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

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

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

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

Investments in gold are non-financial assets and the fair value is disclosed in note 6.1 to these financial statements.

As at March 31, 2020, the Fund does not hold any asset which required fair valuation.

17. GENERAL

17.1 Figures have been rounded off to the nearest thousand rupees.

17.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements during the period.

18. DATE OF AUTHORISATION FOR ISSUE

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

For Al Meezan Investment Management Limited
(Management Company)

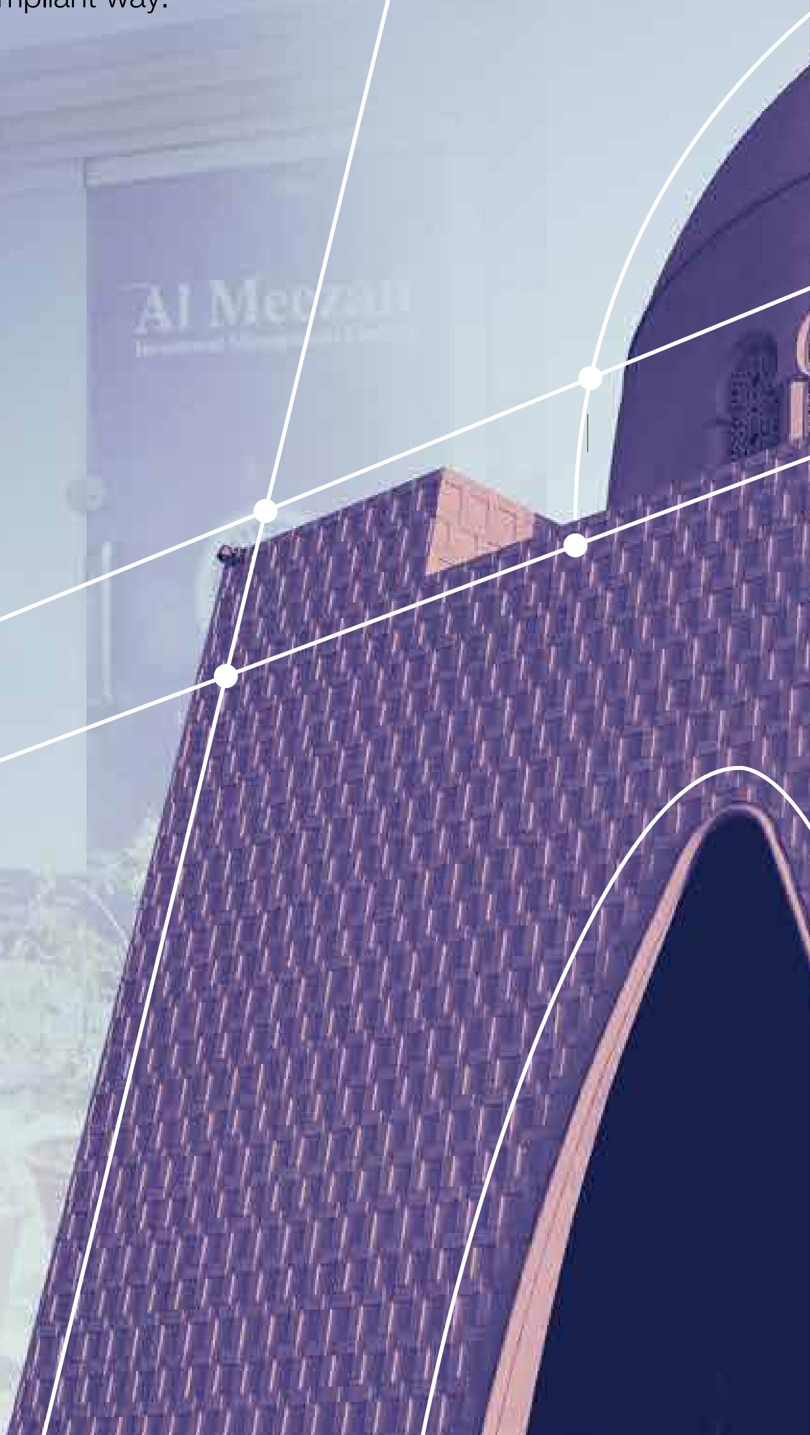
____________________	____________________	____________________
Chief Executive	**Chief Financial Officer**	**Director**

Meezan
Islamic Income Fund

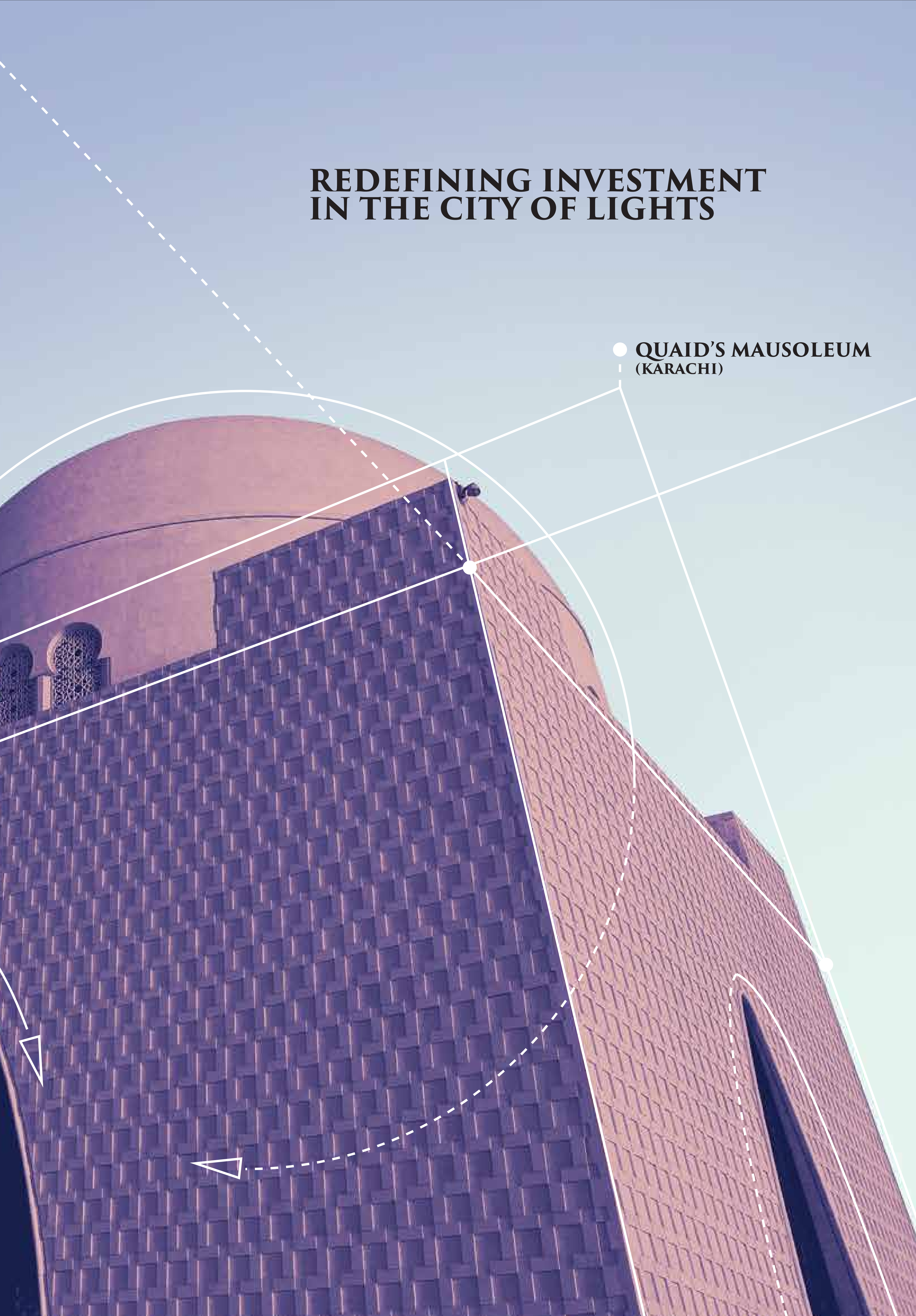
MEEZAN ISLAMIC INCOME FUND (MIIF)

Meezan Islamic Income Fund is Pakistan's first Shariah compliant income fund scheme. The purpose of Meezan Islamic Income Fund is to provide investors with a high and stable rate of current income consistent with long term preservation of capital in a Shariah compliant way.

- Bahadurabad Branch
- Clifton Branch
- DHA Branch
- DHA Badar Commercial Branch
- FTC Branch
- Gulshan-E-Iqbal Branch
- Gulistan-E-Jauhar Branch
- North Nazimabad Branch
- Sales Hub Karachi
- Site Area Branch



REDEFINING INVESTMENT IN THE CITY OF LIGHTS



QUAID'S MAUSOLEUM
(KARACHI)

FUND INFORMATION

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director – PKIC

CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY
Syed Owais Wasti

AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

HUMAN RESOURSE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

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
Meezan Bank Limited

BANKERS TO THE FUND
Allied Bank Limited
Al Baraka Islamic Bank B.S.C (E.C)
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited -Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
Samba Bank Limited
Sindh Bank Limited
UBL Ameen - Islamic Banking

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

TRANSFER AGENT
Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS
Al Meezan Investment Management Limited
Meezan Bank Limited

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2020

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
Assets			
Balances with banks	5	**13,901,436**	2,971,017
Investments	6	**11,827,182**	6,454,219
Receivable against conversion of units		**6,273**	3,802
Deposits, prepayments, profit accrued and other receivables		**316,148**	258,982
Total assets		**26,051,039**	9,688,020
Liabilities			
Payable to Al Meezan Investment Management Limited - the Management Company		**51,966**	19,857
Payable to Central Depository Company of Pakistan Limited - the Trustee	7	**1,867**	838
Payable to the Securities and Exchange Commission of Pakistan	8	**2,864**	7,822
Payable to Meezan Bank Limited		**3,305**	399
Payable against redemption and conversion of units		**24,376**	45,063
Accrued expenses and other liabilities	9	**136,965**	142,719
Total liabilities		**221,343**	216,698
Net assets		**25,829,696**	9,471,322
Contingencies and commitments	10		
Unit holders' fund (as per statement attached)		**25,829,696**	9,471,322
		(Number of units)	
Number of units in issue		**460,016,063**	184,135,657
		(Rupees)	
Net asset value per unit		**56.1496**	51.4367

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	Chief Financial Officer	Director

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Note	Nine months period ended March 31, 2020	Nine months period ended March 31, 2019	Quarter ended March 31, 2020	Quarter ended March 31, 2019
		(Rupees in '000)		(Rupees in '000)	
Income					
Profit on saving accounts with banks		**1,087,531**	260,023	**422,077**	107,537
Profit on term deposit receipts		**-**	22,574	**-**	4,150
Profit on certificates of musharakah		**92,471**	76,739	**46,989**	27,837
Profit on sukuk certificates		**662,369**	338,054	**241,377**	141,710
Profit on Bai Muajjal		**75,566**	-	**75,566**	-
Net realised gain / (loss) on sale of sukuk certificates		**20,905**	(26,611)	**64**	(11,103)
Other income		**1,674**	1,393	**545**	9
		1,940,516	672,172	**786,618**	270,140
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.2	**12,032**	(15,717)	**16,199**	(16,529)
Total income		**1,952,548**	656,455	**802,817**	253,611
Expenses					
Remuneration of Al Meezan Investment Management Limited - the Management Company		**126,916**	64,146	**52,183**	23,862
Sindh Sales Tax on remuneration of the Management Company		**16,499**	8,339	**6,784**	3,102
Allocated expenses	12	**21,165**	7,783	**8,896**	2,631
Selling and marketing expense	14	**57,288**	1,584	**23,723**	1,584
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	7	**10,741**	6,649	**4,448**	2,236
Sindh Sales Tax on remuneration of the trustee		**1,396**	864	**578**	290
Annual fee to the Securities and Exchange Commission of Pakistan	8	**2,864**	5,837	**1,186**	1,973
Auditors' remuneration		**524**	520	**125**	106
Fees and subscription		**1,056**	1,057	**350**	344
Brokerage expense		**598**	638	**458**	414
Bank and settlement charges		**998**	212	**574**	51
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	**34,250**	11,168	**14,070**	4,337
Printing expense		**-**	415	**-**	138
Total expenses		**274,295**	109,212	**113,375**	41,068
Net income for the period before taxation		**1,678,253**	547,243	**689,442**	212,543
Taxation	15	**-**	-	**-**	-
Net income for the period after taxation		**1,678,253**	547,243	**689,442**	212,543
Allocation of net income for the period					
Net income for the period after taxation		**1,678,253**	547,243		
Income already paid on units redeemed		**(443,116)**	(170,440)		
		1,235,137	376,803		
Accounting income available for distribution					
- Relating to capital gains		**32,937**	-		
- Excluding capital gains		**1,202,200**	376,803		
		1,235,137	376,803		

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Nine months period March 31,		Quarter ended, March 31,	
	2020	**2019**	**2020**	**2019**
	(Rupees in '000)		(Rupees in '000)	
Net income for the period after taxation	**1,678,253**	547,243	**689,442**	212,543
Other comprehensive income	**-**	-	**-**	-
Total comprehensive income for the period	**1,678,253**	547,243	**689,442**	212,543

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

______________________	______________________	______________________
Chief Executive	**Chief Financial Officer**	**Director**

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
		(Rupees in '000)			(Rupees in '000)	
Net assets at the beginning of the period	**9,297,919**	**173,403**	**9,471,322**	9,755,035	410,879	10,165,914
Issuance of 722,967,187 units (2019: 272,364,135 units)						
- Capital value (at net asset value per unit at the beginning of the period)	**37,187,045**	**-**	**37,187,045**	13,997,174	-	13,997,174
- Element of income	**1,589,603**	**-**	**1,589,603**	352,320	-	352,320
Total proceeds on issuance of units	**38,776,648**	**-**	**38,776,648**	14,349,494	-	14,349,494
Redemption of 447,086,781 units (2019: 270,906,002 units)						
- Capital value (at net asset value per unit at the beginning of the period)	**22,996,669**		**22,996,669**	13,922,239	-	13,922,239
- Element of loss	**656,743**	**443,116**	**1,099,859**	198,874	170,440	369,314
Total payments on redemption of units	**23,653,411**	**443,116**	**24,096,528**	14,121,113	170,440	14,291,553
Total comprehensive income for the period	**-**	**1,678,253**	**1,678,253**	-	547,243	547,243
Distribution during the period	**-**	**-**	**-**	-	(245,803)	(245,803)
Refund of capital	**-**	**-**	**-**	(170,684)	-	(170,684)
	-	**1,678,253**	**1,678,253**	(170,684)	301,440	130,756
Net assets at the end of the period	**24,421,156**	**1,408,540**	**25,829,696**	9,812,732	541,879	10,354,611
Undistributed income brought forward						
- Realised income		**192,274**			441,879	
- Unrealised loss		**(18,871)**			(31,000)	
		173,403			410,879	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains		**32,937**			-	
- Excluding capital gains		**1,202,200**			376,803	
		1,235,137			376,803	
Distribution during the period nil [(2018: at Rs. 2.1954 per unit) i.e. 4.39% of the par value of Rs. 50/- each (July 6, 2018)]		**-**			(245,803)	
Undistributed income carried forward		**1,408,540**			541,879	
Undistributed income carried forward						
- Realised income		**1,396,508**			557,596	
- Unrealised income / (loss)		**12,032**			(15,717)	
		1,408,540			541,879	
			(Rupees)			**(Rupees)**
Net assets value per unit at the beginning of the period			**51.4367**			53.5868
Net assets value per unit at the end of the period			**56.1496**			54.1652

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive **Chief Financial Officer** **Director**

MEEZAN ISLAMIC INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

		Nine months period ended March 31,	
	Note	2020	2019
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		**1,678,253**	547,243
Adjustments for			
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		**(12,032)**	15,717
		1,666,221	562,960
Increase decrease in assets			
Investments - net		**(5,360,931)**	(939,501)
Deposits, prepayments, profit accrued and other receivables		**(57,166)**	(48,043)
		(5,418,097)	(987,544)
Increase / (decrease) in liabilities			
Payable to Al Meezan Investment Management Limited - the Management Company		**32,109**	5,365
Payable to Central Depository Company of Pakistan Limited - the Trustee		**1,029**	71
Payable to the Securities and Exchange Commission of Pakistan		**(4,958)**	(2,371)
Payable to Meezan Bank Limited		**2,906**	(621)
Accrued expenses and other liabilities		**(5,754)**	14,538
		25,332	16,982
Net cash used in operating activities		**(3,726,544)**	(407,602)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units		**38,774,178**	14,258,448
Payments against redemption and conversion of units		**(24,117,215)**	(14,297,862)
Dividend paid		**-**	(245,803)
Net cash generated from / (used in) financing activities		**14,656,963**	(285,217)
Net increase / (decrease) in cash and cash equivalents during the period		**10,930,419**	(692,819)
Cash and cash equivalents at the beginning of the period		**2,971,017**	4,070,871
Cash and cash equivalents at the end of the period	5	**13,901,436**	3,378,052

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Islamic Income 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 September 13, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) notified through S.R.O. 1203 (I) / 2008 on November 21, 2008. The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

1.2 The Fund has been formed to provide the unitholders safe and stable stream of halal income on their investments and to generate superior long-term risk adjusted returns. The Fund shall also keep an exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point of time. Under the Trust Deed all conducts and acts of the Fund are based on Shariah principles. Meezan Bank Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorised as an Open End Shariah Compliant (Islamic) Income Scheme in accordance with Circular 7 of 2009 issued by the SECP.

1.4 The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of A(f) by VIS Credit Rating Company Limited.

1.5 Title to the assets of the Fund are in the name of CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of repealed Companies Ordinance, 1984; and

- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, (the NBFC Regulations) and the requirements of the Trust Deed.

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

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, 2019.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund’s accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund’s financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

4.3 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, 2019. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	**Note**	**March 31, 2020 (Unaudited)**	**June 30, 2019 (Audited)**
		(Rupees in '000)	
In saving accounts	5.1	**13,901,392**	2,970,973
In current accounts		**44**	44
		13,901,436	2,971,017

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.00% per annum (June 30, 2019: 3.32% to 12.50% per annum).

		Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
			(Rupees in '000)	
6.	**INVESTMENTS**			
	Investments - 'at fair value through profit or loss'			
	Sukuk certificates	6.1	**5,113,316**	4,277,722
	Certificates of Musharakah	6.2	**1,600,000**	750,000
	Commercial papers	6.3	**1,274,547**	1,426,497
	Bai Muajjal receivable	6.4	**3,839,319**	-
			11,827,182	6,454,219

6.1 Sukuk Certificates

	Note	March 31, 2020	June 30, 2019
Government securities	6.1.1	**-**	600,000
Corporate sukuks	6.1.2	**5,113,316**	3,677,722
		5,113,316	4,277,722

6.1.1 Government Securities

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / maturity during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to: Net assets of the Fund	Percentage in relation to: Total market value of investment
			--------- Number of certificates ---------				--------- (Rupees in '000) ---------			-------- % --------	
Pakistan Energy Sukuk	March 1, 2029	6 months KIBOR plus base rate of 0.8%	120,000	-	120,000	-	-	-	-	-	-
Total as at March 31, 2020							**-**	**-**	**-**	**-**	**-**
Total as at June 30, 2019							600,000	600,000	-	6.33	9.30

6.1.2 Corporate Sukuks

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemp-tions during the period	As at March 31, 2020	* Carrying value as at March 31, 2020	* Market value as at March 31, 2020	Unrealised apprecia-tion / (diminu-tion)	Percentage in relation to: Net assets of the Fund	Percentage in relation to: Total issue (with face value of invest-ment)	Percentage in relation to: Total market value of invest-ment
			----- (Number of certificates) -----				--------- (Rupees in '000) ---------			------------ % ------------		
Arzoo Textile Mills Limited (note 6.1.2.1 & 6.1.2.2) *	April 15, 2014	6 months KIBOR plus base rate of 2%	14,000	-	-	14,000	-	-	-	-	9.46	-
Eden Housing Limited (note 6.1.2.1 & 6.1.2.2) *	September 29, 2014	6 months KIBOR plus base rate of 2.5%	59,400	-	-	59,400	-	-	-	-	12.32	-
Security Leasing Corporation Limited II (note 6.1.2.1 & 6.1.2.2) *	January 19, 2022	Nil	3,081	-	-	3,081	-	-	-	-	6.67	-
BANKS												
Dubai Islamic Bank Pakistan Limited (AA-, VIS, traded) (note 6.1.2.1)	July 14, 2027	6 months KIBOR plus base rate of 0.5%	513	60	35	538	547,127	546,072	(1,055)	2.11	13.45	4.62

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemptions during the period	As at March 31, 2020	* Carrying value as at March 31, 2020	* Market value as at March 31, 2020	Unrealised appreciation / (diminution)	Percentage in relation to: Net assets of the Fund	Total issue (with face value of investment)	Total market value of investment
			----- (Number of certificates) -----				--------- (Rupees in '000) ---------			------------ % ------------		
Meezan Bank Limited Tier - II (AA, VIS, traded) (note 6.1.2.1)	September 22, 2026	6 months KIBOR plus base rate of 0.50%	368	-	70	298	297,993	302,470	4,477	1.17	4.26	2.56
FERTILIZER												
Engro Fertilizer Limited (AA, PACRA, non-traded) (note 6.1.2.1)	July 9, 2019	6 months KIBOR plus base rate of 1.75%	14,875	-	14,875	-	-	-	-	-	-	-
Fatima Fertilizer Company Limited (AA-, PACRA, non-traded) (note 6.1.2.1)	November 28, 2021	6 months KIBOR plus base rate of 1.10%	29,833	58,000	7,567	80,266	404,491	401,962	(2,529)	1.56	9.56	3.40
OIL & GAS MARKETING COMPANIES												
Hascol Petroleum Limited (BBB+, VIS, non-traded) (note 6.1.2.1 & 6.1.2.2)	January 06, 2022	3 months KIBOR plus base rate of 1.50%	44,000	-	12,000	32,000	161,200	160,199	(1,001)	0.62	9.00	1.35
POWER GENERATION & DISTRIBUTION												
K-Electric Limited (sukuk 4) (AA+, VIS, non-traded) (note 6.1.2.1)	June 17, 2022	3 months KIBOR plus base rate of 1.00%	15,692	-	15,692	-	-	-	-	-	-	-
K-Electric Limited (sukuk 5) (AA+, VIS) (note 6.1.2.1)	December 27, 2026	3 months KIBOR plus base rate of 1.70%	-	80,000	-	80,000	400,000	400,000	-	1.55	1.60	3.38
Hub Power Company Limited (A1+, PACRA) (note 6.1.2.1)	November 26, 2019	3 months KIBOR plus base rate of 1.00%	120,000	-	120,000	-	-	-	-	-	-	-
Hub Power Company Limited (A1+, PACRA) (note 6.1.2.1)	October 2, 2019	3 months KIBOR plus base rate of 1.00%	70,000	-	70,000	-	-	-	-	-	-	-
Hub Power Company Limited (AA+, PACRA), traded (note 6.1.2.1)	August 22, 2023	3 months KIBOR plus base rate of 1.90%	-	5,710	150	5,560	556,431	561,701	5,270	2.17	7.94	4.75
Hub Power Company Limited (AA+, PACRA) (note 6.1.2.1)	May 21, 2020	3 months KIBOR plus base rate of 1.50%	-	5,000	-	5,000	500,000	500,000	-	1.94	11.11	4.23
Hub Power Company Limited (AA+, PACRA) (note 6.1.2.1)	March 19, 2024	1 year KIBOR plus base rate of 1.900%	-	6,850	-	6,850	685,000	685,000	-	2.65	13.70	5.79
Engro Powergen Thar (Private) Limited (A, PACRA, traded) (note 6.1.2.1)	August 2, 2024	3 months KIBOR plus base rate of 1.10%	-	53,000	3,000	50,000	250,000	250,000	-	0.97	8.33	2.11
PHARMACEUTICALS												
AGP Limited (A+, PACRA, traded) (note 6.1.2.1)	June 9, 2022	3 months KIBOR plus base rate of 1.30%	1,712	-	428	1,284	128,385	129,669	1,284	0.50	11.65	1.10
CEMENT & CONSTRUCTION												
Javedan Corporation Limited (AA-, VIS non-traded) (note 6.1.2.1)	October 4, 2026	6 months KIBOR plus base rate of 1.75%	1,000	-	-	1,000	99,535	100,054	519	0.39	3.34	0.85

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemp-tions during the period	As at March 31, 2020	* Carrying value as at March 31, 2020	* Market value as at March 31, 2020	Unrealised apprecia-tion / (diminu-tion)	Percentage in relation to Net assets of the Fund	Total issue (with face value of invest-ment)	Total market value of invest-ment
			----- (Number of certificates) -----				--------- (Rupees in '000) ---------			----------- % -----------		
STEEL & ALLIED PRODUCTS												
Agha Steel Industries (A, VIS) (note 6.1.2.1)	October 9, 2024	3 months KIBOR plus base rate of 0.80%	250	-	-	250	250,000	250,000	-	0.97	5.00	2.11
CHEMICALS												
Engro Polymer and Chemicals Limited (AA, PACRA, traded) (note 6.1.2.1)	July 11, 2026	3 months KIBOR plus base rate of 0.90%	3,000	-	-	3,000	301,406	303,934	2,528	1.18	3.43	2.57
TEXTILE COMPOSITE												
Masood Textile Mills Limited (A, VIS, traded) (note 6.1.2.1)	December 17, 2024	3 months KIBOR plus base rate of 2.00%	-	150	15	135	135,000	134,865	(135)	0.52	5.40	1.14
MISCELLANEOUS												
International Brands Limited (AA, VIS, non-traded) (note 6.1.2.1)	November 15, 2021	3 months KIBOR plus base rate of 0.50%	4,000	-	971	3,029	296,664	298,936	2,272	1.16	14.13	2.53
Shakarganj Food Products Limited (A, VIS, non-traded) (note 6.1.2.1)	July 10, 2024	3 months KIBOR plus base rate of 1.75%	100	-	-	100	88,052	88,454	402	0.34	13.79	0.75
Total as at March 31, 2020							**5,101,284**	**5,113,316**	**12,032**			
Total as at June 30, 2019							3,696,593	3,677,722	(18,872)			

* In case of debt securities against which provision has been made, these are carried at carrying value less provision.

6.1.2.1 The nominal value of these sukuk certificates is Rs 5,000 each except for the sukuk certificates of Eden Housing Limited having nominal value of Rs 984.375, International Brands Limited, AGP Limited, Javedan Corporation Limited, Engro Polymer and Chemicals Limited and Hub Power Company Limited having nominal value of Rs. 100,000 each and Dubai Islamic Bank Pakistan Limited, Meezan Bank Limited, Shakarganj Food Products Limited, Agha Steel Industries Limited and Masood Textile Mills Limited having nominal value of Rs 1,000,000 each respectively.

6.1.2.2 The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. Al Meezan Investment Management Limited (the Management Company) classified Meezan Islamic Income Fund (the Fund) as an 'Income Scheme' in accordance with the said circular. As at March 31, 2020, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires the rating of any security in the portfolio shall not be lower than the investment grade. Therefore, as required under Circular 16 of 2010 dated July 07, 2010, following is the detail of investments in sukuks of the Funds which are below 'investment grade':

Name of non-compliant investment	Type of investments	Value of investment before provision	Provision held (if any)	Value of investment after provision	Percentage of net assets	Percentage of total assets
		--------------- (Rupees in '000) ---------------			----------%---------	
Arzoo Textile Mills Limited	Non-traded sukuk certificates	70,000	70,000	-	-	-
Eden Housing Limited	Non-traded sukuk certificates	58,472	58,472	-	-	-
Security Leasing Corporation Limited II	Non-traded sukuk certificates	15,403	15,403	-	-	-
Hascol Petroleum Limited	Non-traded sukuk certificates	160,199	-	160,199	0.62	1.35
Total - March 31, 2020		**304,074**	**143,875**	**160,199**	**0.62**	**1.35**
Total - June 30, 2019		143,875	143,875	-	-	-

6.1.2.2.1 On May 6, 2011, Arzoo Textile Mills Limited and Eden Housing Limited sukuk certificates were classified as non-performing by Mutual Funds Association of Pakistan (MUFAP). Therefore in accordance with the requirement of SECP's Circular No.33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the said Circular, an amount of Rs. 70 million and Rs. 58.472 million respectively have also been held as provision against the outstanding principal as at March 31, 2020.

6.1.2.2.2 The agreement with Security Leasing Corporation Limited (SLCL) had been amended on February 19, 2012. In accordance with the revised terms no mark-up is payable on the said sukuk as per the approval of contributories to the sukuk certificate. The sukuk certificates have been classified as non-performing by MUFAP on April 3, 2012. Therefore, in accordance with the requirement of circular no.33 of 2012, the sukuk certificates have been classified as non-performing assets and no further profit has been accrued thereafter. Further, in accordance with the provisioning policy of the Fund, an amount of Rs 15.403 million has also been held as provision against the outstanding principal as at March 31, 2020.

6.1.2.3 Circular No. 33 of 2012 allows the asset manager to apply a mark up/mark down within available limit for valuation of any specific debt security. Exercising the discretionary power, the above mentioned Sukuk of Hascol Petroleum Limited has been valued at a discretionary rate of 100.1243 when the reported market rate on MUFAP valuation sheet as at March 31, 2020 was 100.7500.

6.2 Certificates of Musharakah

Name of the investee company	Maturity date	Profit rate	As at July 1, 2019	Placed during the period	Matured during the period	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to Net assets of the Fund	Percentage in relation to Total market value of investment
		---- % ----	---------------- (Rupees in '000) ----------------						------- % -------	
Orix Modaraba	September 14, 2019	10.47-12.72	600,000	-	600,000	-	-	-	-	-
Orix Modaraba	September 27, 2019	10.69-12.94	150,000	-	150,000	-	-	-	-	-
Orix Modaraba	September 4, 2020	13.92	-	200,000	-	200,000	200,000	-	0.77	1.69
Orix Modaraba	September 4, 2020	13.92	-	200,000	-	200,000	200,000	-	0.77	1.69
Orix Modaraba	September 16, 2020	13.84	-	200,000	-	200,000	200,000	-	0.77	1.69
First Habib Modaraba	July 14, 2020	13.35	-	300,000	-	300,000	300,000	-	1.16	2.54
First Habib Modaraba	July 17, 2020	13.35	-	200,000	-	200,000	200,000	-	0.77	1.69
First Habib Modaraba	July 23, 2020	13.35	-	250,000	-	250,000	250,000	-	0.97	2.11
First Habib Modaraba	July 28, 2020	13.35	-	250,000	-	250,000	250,000	-	0.97	2.11
Total as at March 31, 2020			**750,000**	**1,600,000**	**750,000**	**1,600,000**	**1,600,000**	**-**	**6.19**	**13.53**
Total as at June 30, 2019			900,000	1,662,798	1,812,798	750,000	750,000	-	7.92	11.62

6.3 Commercial Papers

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemptions / maturity during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Percentage in relation to Net assets of the Fund	Percentage in relation to Total market value of investment
			------------ (Number of certificates) ------------				------ (Rupees in '000) ------		-------- % --------	
Hascol Petroleum Limited CP - 3 (note 6.3.1)	July 15, 2019	6 months KIBOR plus base rate of 1.50%	400	-	400	-	-	-	-	-
K-Electric Limited CP-2 (note 6.3.1)	September 2, 2019	6 months KIBOR plus base rate of 0.90%	1,001	-	1,001	-	-	-	-	-
TPL Corp Limited CP (note 6.5.1)	January 11, 2020	6 months KIBOR plus base rate of 2.75%	50	-	50	-	-	-	-	-
K-Electric Limited CP-A (note 6.3.1)	February 28, 2020	6 months KIBOR plus base rate of 1.30%	-	1,200	1,200	-	-	-	-	-
K-Electric Limited CP-3 (note 6.3.1)	March 19, 2020	6 months KIBOR plus base rate of 1.30%	-	1,180	1,180	-	-	-	-	-
K-Electric Limited CP-6 (note 6.3.1)	August 26, 2020	6 months KIBOR plus base rate of 1.15%	-	600	-	600	567,030	567,030	2.20	4.79
K-Electric Limited CP-7 (note 6.3.1)	September 10, 2020	6 months KIBOR plus base rate of 1.15%	-	750	-	750	707,517	707,517	2.74	5.98
Total as at March 31, 2020							**1,274,547**	**1,274,547**	**4.93**	**10.78**
Total as at June 30, 2019							1,426,497	1,426,497	15.06	22.10

6.3.1 The nominal value of these commercial papers is Rs 1,000,000 each.

6.4 Bai Muajjal receivable

During the period, Fund entered in certain Bai Muajjal Transactions with various investee companies against K-Electric Limited Commercial Paper A & K-Electric Limited Commercial Paper III (issued on August 27, 2019 and September 19, 2019 respectively) having profit ranging from 12.45% to 13.00%. These Bai Muajjal transaction have face value of Rs. 3,763.753 and as at March 31, 2020 fund accrued profit of Rs. 75.566 million on it.These transactions will mature from July 31, 2020 to January 28, 2021.

7. PAYABLE TO CENTRAL DEPORSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the trustee has revised its tariff as under:

Previous Tariff		Revised Tariff
Net Assets (Rs.)	**Fee**	**(Flat Rate)**
- up to Rs. 1 billion	0.17% per annum of net assets	0.075% p.a. of Net Assets
- Rs 1 billion to Rs. 10 billion	Rs 1.7 million plus 0.085% p.a. of net assets exceeding Rs 1 billion	
- over Rs. 10 billion	Rs 5.1 million plus 0.07% p.a. of net assets exceeding Rs 5 billion	

Accordingly, the Fund has charged Trustee Fee at the rate 0.075% per annum during the current period.

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

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

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to income fund was 0.075%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

9. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	**73,004**	38,755
Withholding tax payable		**-**	37,969
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	9.2	**50,417**	50,417
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	9.2	**2,642**	2,642
Capital gain tax payable		**8,602**	11,065
Auditors' remuneration payable		**324**	430
Printing expenses payable		**566**	566
Brokerage payable		**147**	159
Zakat payable		**165**	187
Shariah advisor fee payable		**931**	529
Other payable		**167**	-
		136,965	142,719

9.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers’ Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers’ Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/ mutual funds, the MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in the condensed interim financial statements of the Fund for the period from May 21, 2015 to March 31, 2020, the net asset value of the Fund as at March 31, 2020 would have been higher by Re. 0.16 per unit (June 30, 2019: Re 0.21 per unit).

9.2 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 percent 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 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 01, 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 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till March 31, 2020 amounting to Rs 53.059 million (June 30, 2019: 53.059 million) is being retained in these condensed interim 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 Net Asset Value of the Fund as at March 31, 2020 would have been higher by Re 0.12 (June 30, 2019: Re 0.29) per unit.

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

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

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	**19,277**	6,904
Sindh Sales Tax payable on remuneration of the Management Company	**2,506**	898
Sales load payable	**2,771**	523
Sindh Sales Tax on sales load	**360**	68
Allocated expenses payable	**3,324**	872
Selling and marketing expense payable	**23,727**	10,591
Certificate charges payable	**1**	1
Investment of 897 (June 30, 2019: 1,287,879 units)	**50**	66,244
Meezan Bank Limited		
Balances with bank	**7,362**	44,405
Sales load payable	**2,924**	353
Sindh Sales Tax on sales load	**380**	46
Profit receivable on saving account	**179**	466
Profit receivable on sukuk certificates	**1,592**	13,925
Investment of 298 sukuk certificates (June 30, 2019: 368 sukuk certificates)	**302,470**	367,991

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	**1,652**	742
Sindh Sales Tax on Trustee Fee payable	**215**	96
Security deposit	**100**	100
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Investment of 1,484,812 units (June 30, 2019: 882,014 units)	**83,372**	45,368
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Investment of 1,236,476 units (June 30, 2019: 981,323 units)	**69,428**	50,476
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Investment of 2,007,262 units (June 30, 2019: 1,598,392 units)	**112,707**	82,216
Meezan Strategic Allocation Fund - MSAP - I		
Investments of nil units (June 30, 2019: 4,983,963 units)	**-**	256,359
Meezan Strategic Allocation Fund - MSAP - II		
Investments of nil units (June 30, 2019: 3,408,091 units)	**-**	175,301
Meezan Strategic Allocation Fund - MSAP - III		
Investments of nil units (June 30, 2019: 4,056,911 units)	**-**	208,674
Meezan Strategic Allocation Fund - MSAP - IV		
Investments of nil units (June 30, 2019: 4,583,447 units)	**-**	235,757
Meezan Strategic Allocation Fund - MSAP - V		
Investments of nil units (June 30, 2019: 4,583,447 units)	**-**	40,484
Directors and Executives of the Management Company		
Investments of 862,494 units (June 30, 2019: 288,053 units)	**48,429**	14,816

	Nine months period ended March 31,	
	2020	2019
	(Unaudited)	
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration for the period	**126,916**	64,146
Sindh Sales Tax on remuneration of the Management Company	**16,499**	8,339
Allocated expenses	**21,165**	7,783
Selling and marketing expense	**57,288**	1,584
Units issued: 62,523 units (March 31, 2019: 19,151,544 units)	**3,274**	1,012,114
Units redeemed: 1,349,505 units (March 31, 2019: 28,824,999 units)	**69,559**	1,511,100
Cash dividend paid	**-**	17,356
Refund of capital	**-**	23,214
Meezan Bank Limited		
Profit on saving account	**10,843**	1,690
Profit on sukuk certificate	**36,638**	23,605
Sukuk certificates purchased during the period: nil (March 31, 2019: 118 sukuk certificates)	**-**	117,982
Sukuk certificates sold during the period: 70 sukuk certificates (March 31, 2019: 50 sukuk certificates)	**70,185**	50,000
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration for the period	**10,741**	6,649
Sindh Sales Tax on trustee fee	**1,396**	864
CDS Charges	**460**	34

	Nine months period ended March 31, 2020	2019
	(Unaudited)	
	(Rupees in '000)	
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Units issued: 1,243,768 units (March 31, 2019: 102,478 units)	**65,702**	6,049
Units redeemed: 640,970 units (March 31, 2019: 232,843 units)	**34,394**	12,268
Cash dividend paid	-	2,325
Refund of capital	-	224
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Units issued: 904,065 units (March 31, 2019: 61,739 units)	**47,444**	3,172
Units redeemed: 648,912 units (March 31, 2019: 438,741 units)	**34,407**	22,914
Cash dividend paid	-	2,809
Refund of capital	-	363
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Units issued: 1,567,786 units (March 31, 2019: 246,147 units)	**82,028**	12,785
Units redeemed: 1,158,916 units (March 31, 2019: 438,741 units)	**62,143**	32,848
Cash dividend paid	-	3,989
Refund of capital	-	358
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 3,782,012 units (March 31, 2019: 730,489 units)	**194,649**	37,613
Units redeemed: 3,782,012 units (March 31, 2019: 708,624 units)	**197,912**	37,560
Cash dividend paid	-	4,610
Refund of capital	-	3,003
Meezan Financial Planning Fund of Funds - MAAP - IV		
Units issued: nil (March 31, 2019: 63,875 units)	-	3,280
Units redeemed: nil (March 31, 2019: 1,558,092 units)	-	80,267
Cash dividend paid	-	1,736
Refund of capital	-	1,544
Meezan Strategic Allocation Fund - MSAP - I		
Units issued: 1,653,461 units (March 31, 2019: 1,495,164 units)	**85,606**	76,984
Units redeemed: 6,637,424 units (March 31, 2019: 2,519,107 units)	**346,444**	133,780
Cash dividend paid	-	9,138
Refund of capital	-	7,846
Meezan Strategic Allocation Fund - MSAP - II		
Units issued: 1,128,244 units (March 31, 2019: 1,107,934 units)	**58,413**	57,052
Units redeemed: 4,536,335 units (March 31, 2019: 763,183 units)	**236,405**	40,700
Cash dividend paid	-	5,875
Refund of capital	-	4,177
Meezan Strategic Allocation Fund - MSAP - III		
Units issued: 1,361,671 units (March 31, 2019: 1,213,228 units)	**70,498**	62,481
Units redeemed: 5,418,582 (March 31, 2019: 29,798 units)	**282,706**	1,610
Cash dividend paid	-	4,540
Refund of capital	-	3,941
Meezan Strategic Allocation Fund - MSAP - IV		
Units issued: 1,536,740 units (March 31, 2019: 1,166,844 units)	**79,563**	60,088
Units redeemed: 6,120,187 (March 31, 2019: 47,021 units)	**319,197**	2,530
Cash dividend paid	-	5,519
Refund of capital	-	4,569

	Nine months period ended March 31, 2020	2019
	(Unaudited) (Rupees in '000)	
Meezan Strategic Allocation Fund - MSAP - V		
Units issued: 272,284 units (March 31, 2019: 384,345 units)	**14,090**	19,798
Units redeemed: 1,059,349 (March 31, 2019: nil)	**55,177**	-
Cash dividend paid	**-**	363
Refund of capital	**-**	435
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Units issued: nil (March 31, 2019: 9,077 units)	**-**	466
Cash dividend paid	**-**	2
Refund of capital	**-**	465
Directors and Executives of the Management Company		
Units issued: 17,313,095 units (March 31, 2019: 3,584,769 units)	**905,414**	190,366
Units redeemed: 16,738,654 units (March 31, 2019: 3,663,488 units)	**898,773**	195,580
Cash dividend paid	**-**	167
Refund of capital	**-**	476

12. ALLOCATED EXPENSES

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

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund for the period from July 1, 2019 to July 21, 2019 and 0.15% for the period from July 22, 2019 to March 31, 2020.

13. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 1.92% which include 0.38% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

14. SELLING AND MARKETING EXPENSES

The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the current period, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions.

Accordingly, the management company based on its own discretion has currently determined a capping of 0.4% of the average annual net assets of the fund for charging of selling and marketing expenses to the Fund which has also been approved by the Board.

15. TAXATION

The Fund's income is exempt from income tax as per 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 the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. 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, 2020 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

16. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.

- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

As at March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	As at March 31, 2020			
ASSETS	**Level 1**	**Level 2**	**Level 3**	**Total**
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Sukuk Certificates	**-**	**5,113,316**	**-**	**5,113,316**
Certificates of Musharakah*	**-**	**1,600,000**	**-**	**1,600,000**
Commercial Papers**	**-**	**1,274,547**	**-**	**1,274,547**
Bai Muajjal receivable	**-**	**3,839,319**	**-**	**3,839,319**
	-	**11,827,182**	**-**	**11,827,182**

	As at June 30, 2019			
ASSETS	**Level 1**	**Level 2**	**Level 3**	**Total**
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Sukuk Certificates	-	4,277,722	-	4,277,722
Certificates of Musharakah*	-	750,000	-	750,000
Commercial Papers**	-	1,426,497	-	1,426,497
	-	6,454,219	-	6,454,219

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

** The valuation of commercial papers has been done based on amortisation of commercial paper to its face value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and they are placed with counterparties which have high credit rating.

17. GENERAL

17.1 Figures have been rounded off to the nearest thousand rupees.

17.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements during the period.

18. DATE OF AUTHORISATION

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

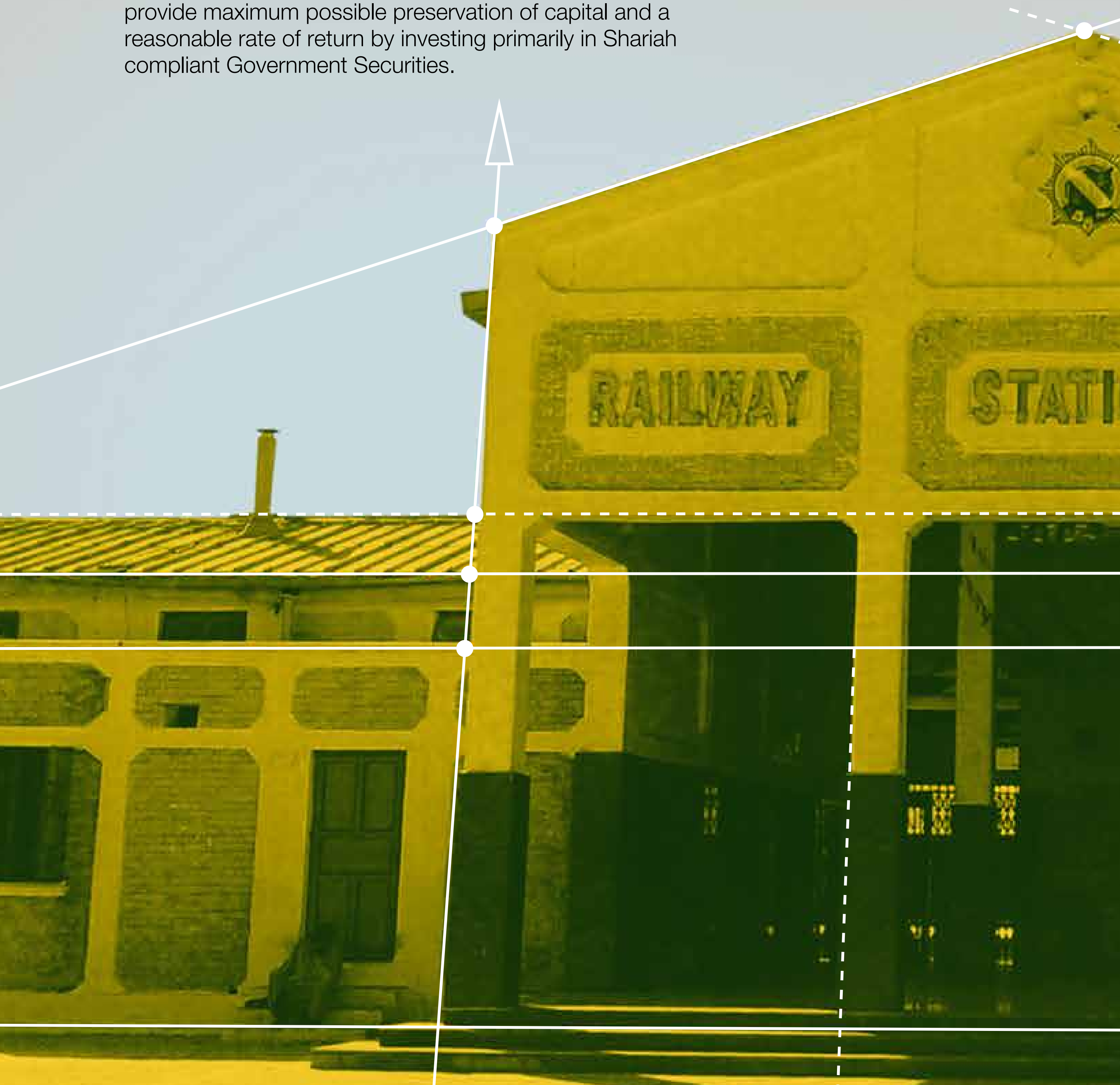
For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

Meezan
Sovereign Fund

MEEZAN SOVEREIGN FUND (MSF)

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



REDEFINING INVESTMENT IN THE FRUIT HUB OF PAKISTAN

Quetta Branch

QUETTA RAILWAY STATION
(QUETTA)

FUND INFORMATION

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director – PKIC

CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY
Syed Owais Wasti

AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

HUMAN RESOURSE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

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
Meezan Bank Limited

BANKERS TO THE FUND
Allied Bank Limited
Al Baraka Islamic Bank B.S.C (E.C)
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited -Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
Sindh Bank Limited
UBL Ameen - Islamic Banking

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

TRANSFER AGENT
Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS
Al Meezan Investment Management Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited

MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT MARCH 31, 2020

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
Assets			
Balances with banks	5	**3,793,354**	5,132,514
Investments	6	**1,112,236**	1,124,715
Receivable against conversion of units		**49,235**	59,236
Deposits, prepayments and other receivables		**69,086**	70,900
Total assets		**5,023,911**	6,387,365
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		**7,889**	4,228
Payable to Central Depository Company of Pakistan Limited - Trustee	7	**300**	538
Payable to Securities and Exchange Commission of Pakistan	8	**619**	1,400
Payable to Meezan Bank Limited		**171**	68
Payable on redemption and conversion of units		**43,448**	562,316
Accrued expenses and other liabilities	9	**110,178**	113,666
Total liabilities		**162,605**	682,216
Net assets		**4,861,306**	5,705,149
Unitholders' fund (as per statement attached)		**4,861,306**	5,705,149
Contingencies and commitments	10		
Number of units in issue		**86,518,322**	110,716,688
		(Rupees)	
Net assets value per unit		**56.1882**	51.5293

The annexed notes 1 to 18 form an integral part of this condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive | **Chief Financial Officer** | **Director**

MEEZAN SOVEREIGN FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Note	Nine months period ended March 31,		Quarter ended March 31,	
		2020	**2019**	**2020**	**2019**
		(Rupees in '000)		(Rupees in '000)	
Income					
Profit on sukuk certificates		**118,693**	56,794	40,506	16,387
Net realised loss on sale of sukuk certificates		**(197)**	(12,172)	-	(168)
Profit on saving accounts with banks		**284,284**	45,800	100,233	24,183
		402,780	90,422	140,739	40,402
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.1.1	**-**	(1,638)	-	(9,146)
Total income		**402,780**	88,784	140,739	31,256
Expenses					
Remuneration to Al Meezan Investment Management Limited - Management Company		**19,113**	12,455	6,403	3,670
Sindh Sales Tax on remuneration of the Management Company		**2,485**	1,619	833	477
Remuneration to Central Depository Company of Pakistan Limited - Trustee	7	**1,987**	1,497	694	460
Sindh Sales Tax on remuneration of the Trustee		**258**	195	90	61
Annual fee to Securities and Exchange Commission of Pakistan	8	**619**	934	214	275
Auditors' remuneration		**448**	447	108	87
Fees and subscription		**677**	494	262	160
Brokerage expense		**-**	227	-	18
Bank and settlement charges		**320**	108	48	17
Allocated expenses	12	**4,475**	1,245	1,601	367
Selling and marketing expense	13	**11,394**	-	4,269	-
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	**7,220**	1,391	2,524	513
Total expenses		**48,996**	20,612	17,046	6,105
Net income for the period before taxation		**353,784**	68,172	123,693	25,151
Taxation	15	**-**	-	-	-
Net income for the period after taxation		**353,784**	68,172	123,693	25,151
Allocation of net income for the period					
Net income for the period after taxation		**353,784**	68,172		
Income already paid on units redeemed		**95,180**	12,917		
		258,604	**55,255**		
Accounting income available for distribution					
- Relating to capital gains		**-**	-		
- Excluding capital gains		**258,604**	55,255		
		258,604	55,255		

The annexed notes 1 to 18 form an integral part of this condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive | **Chief Financial Officer** | **Director**

MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Nine months period ended, March 31,		Quarter ended, March 31,	
	2020	**2019**	**2020**	**2019**
	(Rupees in '000)		(Rupees in '000)	
Net income for the period after taxation	353,784	68,172	123,693	25,151
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	353,784	68,172	123,693	25,151

The annexed notes 1 to 18 form an integral part of this condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive | **Chief Financial Officer** | **Director**

MEEZAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Nine months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	--------------------(Rupees in '000)--------------------			---------------------(Rupees in '000)---------------------		
Net assets at beginning of the period	**5,409,260**	**295,889**	**5,705,149**	1,792,404	328,112	2,120,516
Issue of 150,744,103 units (2019: 44,792,524 units)						
- Capital value (at ex-net asset value per unit at the beginning of the period)	**7,767,738**	**-**	**7,767,738**	2,306,172	-	2,306,172
- Element of income	**303,005**	**-**	**303,005**	42,485	-	42,485
Total proceeds on issuance of units	**8,070,743**	**-**	**8,070,743**	2,348,657	-	2,348,657
Redemption of 174,942,469 units (2019: 54,269,948 units)						
- Capital value (at ex- net asset value per unit at the beginning of the period)	**9,014,663**	**-**	**9,014,663**	2,794,121	-	2,794,121
- Element of income	**158,527**	**95,180**	**253,707**	26,503	12,917	39,420
Total payments on redemption of units	**9,173,190**	**95,180**	**9,268,370**	2,820,624	12,917	2,833,541
Total comprehensive income for the period	**-**	**353,784**	**353,784**	-	68,172	68,172
Distribution during the period	**-**	**-**	**-**	-	(37,026)	(37,026)
Refund of capital	**-**	**-**	**-**	(12,782)	-	(12,782)
Total distribution during the period	**-**	**-**	**-**	(12,782)	31,146	18,364
Net assets at end of the period	**4,306,813**	**554,493**	**4,861,306**	1,307,655	346,341	1,653,996
Undistributed income brought forward						
- Realised income		**297,344**			360,148	
- Unrealised loss		**(1,455)**			(32,036)	
		295,889			328,112	
Accounting income available for distribution (after adjusting income already paid on units redeemed)						
- Relating to capital gains		-			-	
- Excluding capital gains		**258,604**			55,255	
		258,604			55,255	
Distribution during the period at Rs Nil [2018: Rs. 1.2384 per unit i.e. 2.48% of the par value of Rs. 50/- each (July 6, 2018)]		**-**			(37,026)	
Undistributed income carried forward		**554,493**			**346,341**	
Undistributed income carried forward						
- Realised income		**554,493**			346,341	
- Unrealised income		**-**			-	
		554,493			346,341	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			**51.5293**			52.7240
Net assets value per unit at end of the period			**56.1882**			53.8029

The annexed notes 1 to 18 form an integral part of this condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive | **Chief Financial Officer** | **Director**

MEEZAN SOVEREIGN FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020 (UNAUDITED)

Meezan Sovereign Fund

	Nine months period ended March 31, 2020	
	2020	**2019**
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	353,784	68,172
Adjustments for		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	-	1,638
	353,784	69,810
Decrease / (Increase) in assets		
Investments - net	12,479	341,100
Deposits, prepayments and other receivable	1,814	(8,053)
	14,293	333,047
(Decrease) / Increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	3,661	(13)
Payable to Central Depository Company of Pakistan Limited - Trustee	(238)	(36)
Payable to Securities and Exchange Commission of Pakistan	(781)	(1,183)
Payable to Meezan Bank Limited	103	(293)
Accrued expenses and other liabilities	(3,488)	9,366
	(743)	7,841
Net cash generated from operating activities	367,334	410,698
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	8,080,744	2,337,045
Payments against redemption and conversion of units	(9,787,238)	(2,826,812)
Dividend paid	-	(37,026)
Net cash used in financing activities	(1,706,494)	(526,793)
Net decrease in cash and cash equivalents during the period	(1,339,160)	(116,095)
Cash and cash equivalents at the beginning of the period	5,132,514	673,082
Cash and cash equivalents at the end of the period	3,793,354	556,987

The annexed notes 1 to 18 form an integral part of this condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

MEEZAN SOVEREIGN FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Sovereign Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.

1.2 The Fund has been formed to provide the unitholders maximum possible preservation of capital along with Halal and reasonable returns by investing primarily in a portfolio of Shariah compliant government securities thus, minimising the credit risk of investments. The Fund shall also keep an exposure in short-term near cash instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point of time. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.

1.3 The Fund is an open end Shariah Compliant (Islamic) Income Scheme, listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

1.4 The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA-(f) by VIS Credit Rating Company Limited.

1.5 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and

- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the published audited annual financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

4.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES / ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

4.2 The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

4.3 There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2019. However, these do not have any impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
5.	**BALANCES WITH BANKS**		(Rupees in '000)	
	In saving accounts	5.1	**3,790,510**	5,129,670
	In current accounts		**2,844**	2,844
			3,793,354	5,132,514

5.1 The balance in saving accounts have an expected profit ranging from 3.00% to 13.00% per annum (June 30, 2019: 6.60% to 12.50% per annum).

		Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
6.	**INVESTMENTS**		(Rupees in '000)	
	Investments - 'at fair value through profit or loss'			
	Sukuk Certiifcates	6.1	**1,112,236**	1,124,715
6.1	**Sukuk Certificates**			
	Government securities	6.1.1	**950,000**	950,000
	Corporate sukuks	6.1.2	**162,236**	174,715
			1,112,236	**1,124,715**

6.1.1 Government securities

Name of the security	Maturity Date	Rate of Return	As at July 01, 2019	Purchased during the period	Disposed/matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised (diminu-tion) / appreciation as at March 31, 2020	Market value as a percentage of net assets of the Fund	Market value as a percentage of total investments
			------- Number of certificates -------				(Rupees in '000)			--------------- Percentage ---------------	
Pakistan Energy Sukuk (note 6.1.1.1)	March 1, 2029	6 months KIBOR plus base rate of 0.8%	190,000	-	-	190,000	950,000	950,000	-	19.54%	85.41%
Total - March 31, 2020							950,000	950,000	-	19.54%	85.41%

6.1.1.1 Pakistan Energy Sukuk Certificates having nominal value of Rs. 5,000 each

6.1.2 Corporate sukuks

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemp-tions during the period	As at March 31, 2020	Carrying value as at Mar 31, 2020	Market value as at March 31, 2020	Unrealised (diminu-tion) / appreciation as at March 31, 2020	Percentage in relation to Net assets of the Fund	Percentage in relation to Total market value of investment
			(Number of certificates)				(Rupees in '000)			----------- % -----------	
Power generation & distribution											
Neelum Jhelum Hydropower Company (Private) Limited (AAA, VIS, non-traded) (note 6.1.2.1)	June 29, 2026	6 months KIBOR plus base rate of 1.13%	1,950	-	-	1,950	162,236	162,236	-	3.34%	14.59%
Total - March 31, 2020							162,236	162,236	-	3.34%	14.59%

6.1.2.1 The nominal value of these sukuk certificate is of Rs. 100,000 each

7 PAYABLE TO CENTRAL DEPORSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the trustee has revised its tariff as under:

Previous Tariff		Revised Tariff (Flat Rate)
Net Assets (Rs.)	**Fee**	
- up to Rs. 1 billion	0.17% per annum of net assets	0.075% p.a. of Net Assets
- Rs 1 billion to Rs. 10 billion	Rs 1.7 million plus 0.085% p.a. of net assets exc	
- over Rs. 10 billion	Rs 5.1 million plus 0.07% p.a. of net assets exce	

Accordingly Fund has charged Trustee Fee @ 0.075% p.a. of Net Assets during the current period.

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

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

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to income fund was 0.075%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

9. ACCRUED EXPENSES AND OTHER LIABILITIES	**Note**	**March 31, 2020 (Unaudited)**	**June 30, 2019 (Audited)**
		(Rupees in '000)	
Auditors' remuneration payable		**258**	348
Printing expenses payable		**156**	156
Brokerage payable		**478**	501
Shariah advisor fee payable		**813**	360
Withholding tax payable		**420**	12,021
Capital gain tax payable		**1,460**	968
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	**23,751**	16,531
Zakat payable		**138**	142
Other Accrued Expenses Payable		**65**	-
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	9.2	**80,077**	80,077
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	9.2	**2,562**	2,562
		110,178	113,666

9.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/ mutual funds, the MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in the condensed interim financial statements of the Fund for the period from May 21, 2015 to December 31, 2019, the net asset value of the Fund as at March 31, 2020 would have been higher by Re 0.27 (June 30, 2019: Re 0.15).

9.2 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 percent 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 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 01 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 30 June 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recoverded or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent challenged in any relevant petition) wer set aside. In response to this, the Deputy Commissioner Inland Revenue has filed 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 01, 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 82.639 million (June 30, 2019 : Rs 82.639 million) is being retained in the condensed interim 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 Net Asset Value of the Fund as at March 31, 2020 would have been higher by Re 0.96 (June 30, 2019 : Rs. 0.75) per unit.

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the management company and the trustee is determined in accordance with the provisions of the NBFC Rules, the NBFC Regulations and the Trust Deed respectively.

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

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	**2,439**	2,859
Sindh Sales Tax payable on management fee	**317**	372
Sales load payable	**227**	629
Sindh Sales Tax payable on sales load	**30**	82
Allocated expense payable	**607**	286
Selling and marketing expense payable	**4269**	-
Investment 101 units (June 30, 2019 : Nil units)	**6**	-
Meezan Bank Limited		
Balances with bank	**65,543**	485,689
Profit receivable on saving accounts	**696**	1,117
Sales load payable	**151**	60
Sindh Sales Tax on sales load payable	**20**	8
Central Depository Company of Pakistan Limited - Trustee		
Security deposits	**100**	100
Remuneration Payable	**266**	476
Sindh Sales Tax on trustee fee	**34**	62
Meezan Financial Planning Fund of Funds - MAAP I		
Investment of 1,996,000 units (June 30, 2019: 3,775,285 units)	**112,152**	194,538
Meezan Strategic Allocation Fund - MCPP - III		
Investment of nil units (June 30, 2019: 13,138,233 units)	**-**	677,003
Meezan Strategic Allocation Fund - II - MCPP - IV		
Investment of nil units (June 30, 2019: 17,633,059 units)	**-**	908,618
Meezan Strategic Allocation Fund - II - MCPP - V		
Investment of nil units (June 30, 2019: 5,140,342 units)	**-**	264,878
Meezan Strategic Allocation Fund - II - MCPP - VI		
Investment of nil units (June 30, 2019: 4,162,469 units)	**-**	214,489
Meezan Strategic Allocation Fund - II - MCPP - VII		
Investment of nil units (June 30, 2019: 2,218,732 units)	**-**	114,330
Meezan Strategic Allocation Fund - II - MCPP - VIII		
Investment of nil units (June 30, 2019: 1,692,281 units)	**-**	87,202
Meezan Strategic Allocation Fund - III - MCPP - IX		
Investment of nil units (June 30, 2019: 198,820 units)	**-**	10,245
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 145,267 units (June 30, 2019: 145,267 units)	**8,162**	7,486
Directors and their close family members and key management personnel of the Management Company		
Investment of 969,923 units (June 30, 2019: 1,743,755 units)	**54,498**	89,854

	For the nine month period ended March 31,	
	2020	2019
	(Unaudited) (Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	**19,113**	12,455
Sindh Sales Tax on remuneration of the Management Company	**2,485**	1,619
Allocated expenses	**4,475**	1,245
Selling and marketing expense	**11,394**	-
Units issued: 14,394 units (March 31, 2019: nil units)	**755**	-
Units redeemed: 14,292 units (March 31, 2019: nil units)	**766**	-
Meezan Bank Limited		
Profit on saving accounts	**3,156**	794
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	**1,987**	1,497
Sindh Sales Tax on trustee fee	**258**	195
CDS charges for the period	**178**	15
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 5,342,968 units (March 31, 2019: nil units)	**285,228**	-
Units redeemed: 7,122,254 units (March 31, 2019: nil units)	**378,110**	-
Meezan Strategic Allocation Fund - MCPP - III		
Units redeemed: 13,138,233 units (March 31, 2019: 1,345,548 units)	**677,395**	**72,000**
Meezan Strategic Allocation Fund - II - MCPP - IV		
Units redeemed: 17,633,059 units (March 31, 2019: 1,775,376 units)	**909,145**	**95,000**
Meezan Strategic Allocation Fund - II - MCPP - V		
Units redeemed: 5,140,342 units (March 31, 2019: 579,333 units)	**265,030**	**31,000**
Meezan Strategic Allocation Fund - II - MCPP - VI		
Units redeemed: 4,162,469 units (March 31, 2019: 541,957 units)	**214,613**	**29,000**
Meezan Strategic Allocation Fund - II - MCPP - VII		
Units redeemed: 2,218,732 units (March 31, 2019: 280,322 units)	**114,396**	**15,000**
Meezan Strategic Allocation Fund - II - MCPP - VIII		
Units redeemed: 1,692,281 units (March 31, 2019: 149,505 units)	**87,252**	**8,000**

	For the nine month period ended March 31,	
	2020	2019
Meezan Strategic Allocation Fund - III - MCPP - IX		
Units issued: 232,743 units (March 31, 2019: nil units)	**12,000**	-
Units redeemed: 431,562 units (March 31, 2019: nil units)	**22,254**	**-**
Directors and executives of the Management Company		
Units issued: 6,607,870 units (March 31, 2019: 28,585 units)	**348,116**	1,516
Units redeemed: 7,381,701 units (March 31, 2019: 456 units)	**389,464**	24

12. ALLOCATED EXPENSES

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

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund for the period from July 1, 2019 to July 21, 2019 and 0.15% for the period from July 22, 2019 to March 31, 2020.

13. SELLING AND MARKETING EXEPNSE

Effective from July 22, 2019, the Management Company has started charging selling and marketing expenses to the Fund. The Management Company, based on its own discretion has currently determined a capping of 0.4% of the average annual net assets of the fund for charging of selling and marketing expenses to the Fund which has also been approved by the Board.

14. TOTAL EXPENSE RATIO `

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 1.61% which include 0.35% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

15. TAXATION

The Fund's income is exempt from income tax as per 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 the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. 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, 2020 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

16. FINANCIAL INSTRUMENTS - FAIR VALUES

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

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

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

16.1. Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy

that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.

- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

As at March 31, 2020, the Fund held the following financial instruments measured at fair value:

	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	-------------- (Rupees in '000) ------------------			
Financial assets 'at fair value through profit or loss'				
Sukuk Certificates	-	1,112,236	-	1,112,236

	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
ASSETS	--------------- (Rupees in '000) --------------------			
Financial assets 'at fair value through profit or loss'				
Sukuk Certificates	-	1,124,715	-	1,124,715

17. GENERAL

17.1 Figures have been rounded off to the nearest thousand rupees.

17.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

18. DATE OF AUTHORISATION

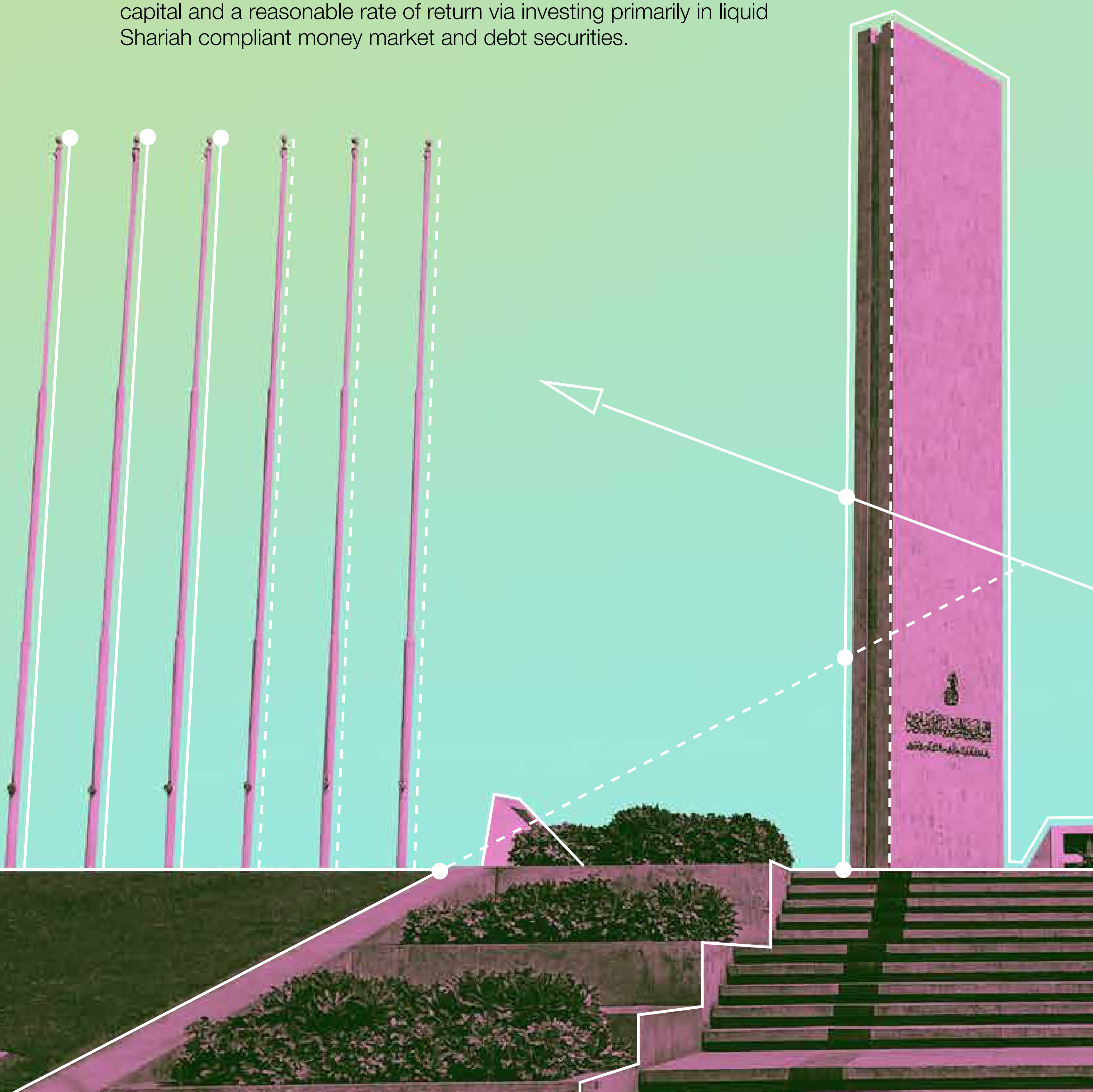
This condensed interim financial information was authorised for issue on ____________, 2020 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

MEEZAN CASH FUND (MCF)

Meezan Cash Fund is Pakistan's first Shariah compliant Money Market Fund. MCF aims to seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in liquid Shariah compliant money market and debt securities.



CHALLENGING THE MARKET IN THE CITY OF WRESTLERS

Gujranwala Branch

FUND INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Kamila Khan	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director – PKIC

CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

HUMAN RESOURSE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

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

Meezan Bank Limited

BANKERS TO THE FUND

Allied Bank Limited
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Alfalah Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited -Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
Sindh Bank Limited
UBL Ameen - Islamic Banking

LEGAL ADVISER

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

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2020

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees in '000)	
Assets			
Balances with banks	5	7,919,618	2,580,335
Investments	6	5,057,513	6,270,999
Receivable against conversion of units		105,296	130,600
Profit receivable		100,030	92,348
Deposits and prepayments		359	579
Total assets		13,182,816	9,074,861
Liabilities			
Payable to Al Meezan Investment Management Limited - the Management Company	7	21,289	11,306
Payable to Central Depository Company of Pakistan Limited - the Trustee	8	837	834
Payable to the Securities and Exchange Commission of Pakistan	9	1,651	8,764
Payable against conversion and redemption of units		43,566	98,921
Accrued expenses and other liabilities	10	87,180	103,948
Total liabilities		154,523	223,773
Net assets		13,028,293	8,851,088
Contingencies and commitments	11		
Unit holders' fund (as per statement attached)		13,028,293	8,851,088
		(Number of units)	
Number of units in issue		237,385,183	175,362,634
		(Rupees)	
Net asset value per unit		54.8825	50.4731

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	Chief Financial Officer	Director

MEEZAN CASH FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Note	Nine months period ended March 31, 2020	Nine months period ended March 31, 2019	Quarter ended March 31, 2020	Quarter ended March 31, 2019
		(Rupees in '000)		(Rupees in '000)	
Income					
Profit on saving accounts with banks		621,292	616,637	220,929	256,889
Profit on term deposit receipts		158,234	69,291	26,340	36,460
Profit on sukuk certificates		190,238	66,054	71,251	29,319
Profit on Bai Muajjal		84,039	-	63,038	-
Net realised (loss) / gain on sale of investments		(468)	3,470	(310)	-
Total income		1,053,335	755,452	381,248	322,668
Expenses					
Remuneration of Al Meezan Investment Management Limited - the Management Company	7	52,041	86,480	17,785	32,039
Sindh Sales Tax on remuneration of the Management Company		6,766	11,242	2,314	4,165
Selling and marketing expenses	15	30,494	-	11,857	-
Allocated expenses	13	12,065	8,648	4,446	3,204
Remuneration of Central Depository Company of Pakistan 'Limited - the Trustee	8	5,365	6,878	1,927	2,477
Sindh Sales Tax on remuneration of the Trustee		697	894	250	322
Annual fee to the Securities and Exchange Commission of Pakistan	9	1,651	6,486	593	2,403
Auditors' remuneration		429	388	102	83
Fees and subscription		1,053	990	349	344
Brokerage expense		357	10	79	-
Bank and settlement charges		847	239	334	13
Provision for Sindh Workers' Welfare Fund (SWWF)		18,831	12,661	6,824	5,551
Printing expense		-	135	-	45
Total expenses		130,596	135,052	46,860	50,647
Net income for the period before taxation		922,739	620,400	334,388	272,021
Taxation	16	-	-	-	-
Net income for the period after taxation		922,739	620,400	334,388	272,021
Allocation of net income for the period					
Net income for the period after taxation		922,739	620,400		
Income already paid on units redeemed		(303,316)	(232,426)		
		619,423	387,974		
Accounting income available for distribution					
- Relating to capital gains		-	3,470		
- Excluding capital gains		619,423	384,504		
		619,423	387,974		

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	Chief Financial Officer	Director

MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2020

	Nine months period March 31,		Quarter ended, March 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
Net income for the period after taxation	922,739	620,400	334,388	272,021
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	922,739	620,400	334,388	272,021

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**

MEEZAN CASH FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Nibe months period ended March 31, 2020			Nine months period ended March 31, 2019		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	---(Rupees in '000)---			---(Rupees in '000)---		
Net assets at the beginning of the period	8,807,969	43,119	8,851,088	9,707,096	213,856	9,920,952
Issuance of 527,872,973 units (March 31, 2019: 469,786,938 units)						
- Capital value (at net asset value per unit at the beginning of the period)	26,643,385	-	26,643,385	23,187,745	-	23,187,745
- Element of income	1,090,719	-	1,090,719	605,341	-	605,341
Total proceeds on issuance of units	27,734,104	-	27,734,104	23,793,086	-	23,793,086
Redemption of 465,850,424 units (March 31, 2019: 398,973,083 units)						
- Capital value (at net asset value per unit at the beginning of the period)	23,512,915	-	23,512,915	20,120,812	-	20,120,812
- Element of income	663,407	303,316	966,723	313,228	232,426	545,654
Total payments on redemption of units	24,176,322	303,316	24,479,638	20,434,040	232,426	20,666,466
Total comprehensive income for the period	-	922,739	922,739	-	620,400	620,400
Distribution during the period	-	-	-	-	(178,008)	(178,008)
Refund of capital	-	-	-	(230,343)	-	(230,343)
Net income for the period less distribution	-	922,739	922,739	(230,343)	442,392	212,049
Net assets at the end of the period	**12,365,751**	**662,542**	**13,028,293**	**12,835,799**	**423,822**	**13,259,621**

	March 31, 2020	March 31, 2019
Undistributed income brought forward		
- Realised income	43,119	213,856
- Unrealised income	-	-
	43,119	213,856
Accounting income available for distribution		
- Relating to capital gains	-	3,470
- Excluding capital gains	619,423	384,504
	619,423	387,974
Distribution during the period: nil [March 31, 2019: Rs. 2.1649 per unit i.e. 4.33% of the par value of Rs. 50/- each (July 6, 2018)]	-	(178,008)
Undistributed income carried forward	662,542	423,822
Undistributed income carried forward		
- Realised income	662,542	423,822
- Unrealised income	-	-
	662,542	423,822

	(Rupees)	(Rupees)
Net assets value per unit at the beginning of the period	50.4731	52.5964
Net assets value per unit at the end of the period	54.8825	53.1580

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	Chief Financial Officer	Director

MEEZAN CASH FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

Meezan Cash Fund

	Note	Nine months period ended March 31, 2020	2019
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		922,739	620,400
Decrease / (Increase) in assets			
Investments - net		(636,514)	(1,415,689)
Deposits and prepayments		220	217
Profit receivable		(7,682)	(69,941)
		(643,976)	(1,485,413)
(Decrease) / Increase in liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		9,983	3,580
Payable to Central Depository Company of Pakistan Limited - Trustee		3	219
Payable to Securities and Exchange Commission of Pakistan		(7,113)	950
Accrued expenses and other liabilities		(16,768)	19,322
		(13,895)	24,070
Net cash generated from / (used in) operating activities		264,868	(840,942)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units		27,759,408	23,265,911
Payments against redemption and conversion of units		(24,534,993)	(20,746,078)
Dividend paid		-	(17,985)
Net cash generated from financing activities		3,224,415	2,501,848
Net increase in cash and cash equivalents during the period		3,489,283	1,660,906
Cash and cash equivalents at the beginning of the period		5,430,335	10,127,637
Cash and cash equivalents at the end of the period	5.2	8,919,618	11,788,543

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	Chief Financial Officer	Director

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Cash 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 May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

1.2 The Fund has been formed to provide the unit holders with safe and stable stream of halal income on their investments and to generate superior long term risk adjusted returns. The Fund shall also keep exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point in time. The Fund shall seek to maximise preservation of capital and a reasonable rate of return via investing primarily in liquid Shariah compliant money market and Shariah compliant debt securities. Under the trust deed, all the conducts and acts of the Fund are based on Shariah principles. 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 categorized as an open-end Shariah Compliant (Islamic) Money Market Scheme listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

1.4 The Management Company has been assigned a quality rating of AM1 by VIS Credit Rating Company Limited dated December 31, 2019 (2018: AM1 dated December 28, 2018) and by PACRA dated December 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA(f) by VIS Credit Rating Company Limited.

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

3. BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of repealed Companies Ordinance, 1984; and

- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, (the NBFC Regulations) and the requirements of the Trust Deed.

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

These condensed interim financial statements are unaudited. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2020.

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

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2019.

4.3 Standards 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, 2019. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	**Note**	**March 31, 2020 (Unaudited)**	**June 30, 2019 (Audited)**
		(Rupees in '000)	
In saving accounts	5.1	7,918,872	2,579,578
In current accounts		746	757
		7,919,618	2,580,335

5.1 The balances in saving accounts have an expected profit ranging from 3.00 % to 13.00 % per annum (June 30, 2019: 3.32% to 12.50% per annum).

5.2 Cash and cash equivalents	**Note**	**March 31, 2020 (Unaudited)**	**June 30, 2019 (Audited)**
		(Rupees in '000)	
Balances with banks	5	7,919,618	2,580,335
Term deposit receipts - having original maturity of 3 months or less	6	1,000,000	2,850,000
		8,919,618	5,430,335

6. INVESTMENTS

At fair value through profit or loss			
Corporate sukuks	6.1	600,000	675,000
Commercial papers	6.2	551,975	1,471,289
Term deposit receipts - having original maturity of 3 months or less	6.3	1,000,000	2,850,000
Bai muajjal receivable	6.4	2,905,538	1,274,710
		5,057,513	6,270,999

6.1 Corporate Sukuks

Name of the Security	Maturity date	Profit rate	As at July 1, 2019	Purchased during the period	Sales / matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised appreciation/ (dimunition)	Percentage in relation to Net assets of the fund	Percentage in relation to Total market value of invest-ments
			---------------- Number of certificates ----------------				----------- (Rs in '000) ---------			-----------(%)----------	
Hub Power Company Limited - II (A1+, PACRA) (note 6.1.1)	October 2, 2019	3 month KIBOR plus base rate of 1.00%	135,000	-	135,000	-	-	-	-	-	-
Hub Power Company Limited - V (AA+, PACRA) (note 6.1.2)	May 21, 2020	3 month KIBOR plus base rate of 1.50%	-	6,000	-	6,000	600,000	600,000	-	4.61%	11.86%
Total as at March 31, 2020							**600,000**	**600,000**			
Total as at June 30, 2019							675,000	675,000			

6.1.1 The nominal value of the sukuk certificates is Rs 5,000 each.

6.1.2 The nominal value of the sukuk certificates is Rs 100,000 each.

6.2 Commercial papers

Name of the security	Maturity date	Profit rate	As at July 1, 2019	Purchases during the period	Sales / redemp-tions / maturity during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised appreciation/ (dimunition)	Percentage in relation to Net assets of the fund	Percentage in relation to Total market value of invest-ments
			(Number of certificates)				(Rupees in '000)			-----------(%)----------	
K-Electric Limited CP II (note 6.2.1)	September 2, 2019	6 month KIBOR plus base rate of 0.90%	1,500	-	1,500	-	-	-	-	-	-
K-Electric Limited CP III (note 6.2.1)	March 19, 2020	6 month KIBOR plus base rate of 1.30%	-	1,390	1,390	-	-	-	-	-	-
K-Electric Limited CP V (note 6.2.1)		6 month KIBOR plus base rate of 1.15%		109	-	109	103,499	103,499	-	0.79%	2.05%
K-Electric Limited CP VI (note 6.2.1)		6 month KIBOR plus base rate of 1.15%		225	-	225	212,636	212,636	-	1.63%	4.20%
K-Electric Limited CP VI (note 6.2.1)		6 month KIBOR plus base rate of 1.15%		250	-	250	235,839	235,839	-	1.81%	4.66%
Total as at March 31, 2020						**584**	**551,975**	**551,975**			
Total as at June 30, 2019						**1,500**	**1,471,289**	**1,471,289**			

6.2.1 The nominal value of these commercial papers is Rs 1,000,000 each.

6.2.2 The securities are valued on the basis of amortization to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and non traded debt securities with residual maturity of upto six months.

6.3 Term deposit receipts

Name of the bank	Maturity	Profit rate	As at July 1, 2019	Term deposit receipts placed during the period	Matured during the period	As at March 31, 2020	Percentage in relation to Total market value of investment
		%	---------------- (Rupees in '000) ----------------				----(%)----
Faysal Bank Limited	September 6, 2019	10.75%	450,000	-	450,000	-	-
Askari Bank Limited	September 3, 2019	12.05%	1,200,000	-	1,200,000	-	-
UBL - Ameen	September 12, 2019	12.10%	1,200,000	-	1,200,000	-	-
Meezan Bank Limited	December 2, 2019	13.50%	-	1,000,000	1,000,000	-	-
Askari Bank Limited	December 11, 2019	13.10%	-	1,020,000	1,020,000	-	-
Askari Bank Limited	-	12.65%	-	1,000,000	-	1,000,000	19.77%
Total as at March 31, 2020						**1,000,000**	**-**
Total as at June 30, 2019						2,850,000	45.00%

6.4 Bai Muajjal Receivable

During the period, Fund entered in certain Bai Muajjal Transactions with various investee companies against K-Electric Limited Commercial Paper III issued on September 19, 2019, having profit ranging from 12.45% to 13.15%. These Bai Muajjal transaction have face value of Rs. 2,836.572 million and as at March 31, 2020 fund accrued profit of Rs. 68.966 million on it.These transactions will mature from June 12, 2020 to August 31, 2020.

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding 1% of the average annual net assets in case of Money Market Scheme. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2018: 1%) per annum of the average net assets from July 1, 2019 to July 21, 2019. Effective from July 22, 2019, the management company has reduced the rate of remuneration from 1% to 0.6% of average annual net assets of the fund.

8. PAYABLE TO CENTRAL DEPORSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. Effective from July 1, 2019, the trustee has revised its tariff as under:

Previous Tariff		Revised Tariff
Net Assets (Rs.)	**Fee**	**(Flat Rate)**
Upto Rs. 1 billion	0.15% per annum of net assets	0.065% per annum of Net Assets.
From Rs. 1 billion to Rs. 10 billion	Rs 1.5 million plus 0.075% per annum of net assets exceeding Rs 1 billion.	
Exceeding Rs. 10 billion	Rs 8.25 million plus 0.06% per annum of net assets exceeding Rs 10 billion.	

Accordingly, the Fund has charged Trustee Fee @ 0.065% per annum during the current period.

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

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

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to money market fund was 0.075%. Accordingly, the Fund has charged SECP Fee at the rate of 0.02% of net assets during the current period.

10. ACCRUED EXPENSES AND OTHER LIABILITIES	**Note**	**March 31, 2020 (Unaudited)**	**June 30, 2019 (Audited)**
		(Rupees in '000)	
Provision for Sindh Workers' Welfare Fund (SWWF)	10.1	49,728	30,896
Withholding tax and capital gain tax payable		8,607	44,483
Provision for Federal Excise Duty and related Sindh Sales tax on remuneration of the management company	10.2	27,018	27,018
Shariah advisor fee payable		874	472
Brokerage expense payable		231	85
Auditors' remuneration		254	335
Printing expense payable		111	111
Other expenses		252	-
Zakat payable		105	548
		87,180	103,948

10.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/ mutual funds, the MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period from May 21, 2015 to December 31, 2019, the net asset value per unit of the Fund as at March 31, 2020 would have been higher by Re 0.21 (June 30, 2019: Re 0.18).

10.2 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 percent 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 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 27.018 million is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.11 (June 30, 2019: Re 0.15) per unit.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 and June 30, 2019.

12. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

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

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

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration payable	6,837	9,192
Sindh Sales Tax payable on management fee	889	1,195
Selling and marketing expenses	11,857	-
Allocated expenses payable	1,706	919
Meezan Bank Limited		
Balance with bank	4,423	131,399
Profit receivable on saving accounts	777	170
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	741	738
Sindh Sales Tax on trustee fee payable	96	96
Security deposit	100	100
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Investment of nil units (June 30, 2019: 898,802 units)	-	45,365
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Investment of nil units (June 30, 2019: 1,628,815 units)	-	82,211
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Investment of nil units (June 30, 2019: 1,000,001 units)	-	50,473
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of 221 units (June 30, 2019: 8,448 units)	12	426
Meezan Strategic Allocation Fund - MSAP - I		
Investment of 4 units (June 30, 2019: nil)	-	-
Meezan Strategic Allocation Fund - MSAP - II		
Investment of nil units (June 30, 2019: 1,616 units)	-	82
Meezan Strategic Allocation Fund - MSAP - III		
Investment of nil units (June 30, 2019: 116,450 units)	-	5,878
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of nil units (June 30, 2019: 158,203 units)	-	7,985
Meezan Strategic Allocation Fund - MSAP - V		
Investment of nil units (June 30, 2019: 786,614 units)	-	39,703
Meezan Strategic Asset Allocation Fund - MCPP - III		
Investment of 18 units (June 30, 2019: nil units)	1	-
Meezan Strategic Allocation Fund II- MCPP - VI		
Investment of 42 units (June 30, 2019: nil units)	2	-
Meezan Strategic Allocation Fund II- MCPP - VII		
Investment of 2 units (June 30, 2019: nil units)	-	-
Meezan Strategic Allocation Fund II- MCPP - VIII		
Investment of 8 units (June 30, 2019: nil units)	-	-
Meezan Strategic Allocation Fund II- MCPP - IX		
Investment of nil units (June 30, 2019: 64,627units)	-	3,262
Directors and executives of the Management Company		
Investment of 7,351,168 units (June 30, 2019: 485,288 units)	403,450	24,494

	Nine months period ended March 31, 2020 (Unaudited)	2019 (Unaudited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - the Management Company		
Remuneration for the period	52,041	86,480
Sindh Sales Tax on remuneration of Management Company	6,766	11,242
Selling and marketing expense	30,494	-
Allocated expenses	12,065	8,648
Units issued: 16 units (March 31, 2019: nil units)	1	-
Units redeemed: 16 units (March 31, 2019: nil units)	1	-
Meezan Bank Limited		
Profit on saving accounts	6,683	3,673
Term deposit receipt placed	1,000,000	-
Term deposit matured	1,000,000	-
Profit on term deposit receipt	33,623	-
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee for the period	5,365	6,878
Sindh Sales Tax on remuneration of the trustee	697	894
CDS charges	176	5
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Units issued: nil units (March 31, 2019: 113,932 units)	-	5,811
Units redeemed: 898,802 units (March 31, 2019: 231,397 units)	45,839	11,963
Dividend paid	-	2,304
Refund of capital	-	257
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Units issued: nil units (March 31, 2019: 251,200 units)	-	12,805
Units redeemed: 1,628,815 units (March 31, 2019: 637,472 units)	83,034	32,771
Dividend paid	-	3,957
Refund of capital	-	410
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Units issued: nil units (March 31, 2019: 63,204 units)	-	3,187
Units redeemed: 1,000,001 units (March 31, 2019: 446,077 units)	50,914	22,854
Dividend paid	-	2,766
Refund of capital	-	421
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 3,821,029 units (March 31, 2019: 24,238 units)	196,322	1,223
Units redeemed: 3,829,256 units (March 31, 2019: 572,744 units)	199,398	29,570
Dividend paid	-	855
Refund of capital	-	368
Meezan Financial Planning Fund of Funds - MAAP - IV		
Units issued: nil units (March 31, 2019: 7,368,899 units)	-	372,084
Units redeemed: nil units (March 31, 2019: 8,331,559 units)	-	421,491
Dividend paid	-	1,833
Refund of capital	-	251
Meezan Strategic Allocation Fund - MSAP - I		
Units issued: 11,301,674 units (March 31, 2019: 78,130 units)	596,752	3,941
Units redeemed: 11,301,670 units (March 31, 2019: 1,898,170 units)	597,678	97,777
Dividend paid	-	3,863
Refund of capital	-	78

	Nine months period ended March 31, 2020 (Unaudited)	2019 (Unaudited)
	(Rupees in '000)	
Meezan Strategic Allocation Fund - MSAP - II		
Units issued: nil units (March 31, 2019: 70,389 units)	-	3,550
Units redeemed: 1,616 units (March 31, 2019: 1,704,486 units)	83	88,210
Dividend paid	-	3,550
Meezan Strategic Allocation Fund - MSAP - III		
Units issued: nil units (March 31, 2019: 127,316 units)	-	6,421
Units redeemed: 116,450 units (March 31, 2019: 2,171,432 units)	5,926	112,466
Dividend paid	-	6,326
Refund of capital	-	95
Meezan Strategic Allocation Fund - MSAP - IV		
Units issued: nil units (March 31, 2019: 2,115,011 units)	-	108,270
Units redeemed: 158,203 units (March 31, 2019: 5,099,915 units)	8,082	262,830
Dividend paid	-	7,528
Refund of capital	-	102
Meezan Strategic Allocation Fund - MSAP - V		
Units issued: nil units (March 31, 2019: 92,100 units)	-	4,644
Units redeemed: 786,614 units (March 31, 2019: 1,076,672 units)	40,274	55,801
Dividend paid	-	3,312
Refund of capital	-	1,332
Meezan Strategic Asset Allocation Fund - MCPP-III		
Units Issued: 37,706,480 units (March 31, 2019: 11,794,364 units)	1,920,788	606,576
Units redeemed: 37,706,461 units (March 31, 2019: 15,137,691 units)	1,944,923	782,614
Dividend paid	-	16,480
Refund of capital	-	33,815
Meezan Strategic Allocation Fund II- MCPP - IV		
Units issued: 40,774,759 units (March 31, 2019: 23,819,855 units)	2,122,258	1,224,500
Units redeemed: 40,774,759 units (March 31, 2019: 31,245,850 units)	2,141,472	1,615,168
Dividend paid	-	13,834
Refund of capital	-	59,534
Meezan Strategic Allocation Fund II- MCPP - V		
Units issued: 10,309,236 units (March 31, 2019: 10,863,046 units)	532,855	556,001
Units redeemed: 10,309,236 units (March 31, 2019: 11,964,850 units)	536,736	618,130
Dividend paid	-	1,360
Refund of capital	-	19,413
Meezan Strategic Allocation Fund II- MCPP - VI		
Units issued: 5,855,367 units (March 31, 2019: 16,632,113 units)	296,207	851,000
Units redeemed: 5,855,325 units (March 31, 2019: 8,824,486)	298,555	457,636
Meezan Strategic Allocation Fund II- MCPP - VII		
Units issued: 3,058,519 units (March 31, 2019: 9,781,763 units)	154,708	506,917
Units redeemed: 3,058,517 units (March 31, 2019: 6,145,138 units)	155,937	321,260
Meezan Strategic Allocation Fund II- MCPP - VIII		
Units issued: 4,124,642 units (March 31, 2019: 3,235,929 units)	209,083	170,000
Units redeemed: 4,124,635 units (March 31, 2019: 1,205,736 units)	209,717	63,370
Meezan Strategic Allocation Fund III- MCPP - IX		
Units issued: 1,474,895 units (March 31, 2019: Nil units)	74,789	-
Units redeemed: 1,539,522 units (March 31, 2019: nil units)	78,256	-
Directors and Executives of the Management Company		
Units issued: 7,582,436 units (March 31, 2019: 1,087,292 units)	412,171	56,044
Units redeemed: 716,556 units (March 31, 2019: 932,874 units)	37,295	17,894

13. ALLOCATED EXPENSES

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

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The management company based on its own discretion has currently fixed a maximum capping of 0.1% of the average annual net assets of the scheme for allocation of such expenses to the Fund for the period from July 1, 2019 to July 21, 2019 and 0.15% for the period from July 22, 2019 to March 31, 2020.

14. THE TOTAL EXPENSE RATIO (TER)

The Total Expense Ratio (TER) of the Fund for the period ended March 31, 2020 is 1.58% which include 0.34% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

15. SELLING AND MARKETING EXPENSES

Effective from July 22, 2019, the Management Company has started charging selling and marketing expenses to the Fund. The Management Company, based on its own discretion has currently determined a capping of 0.4% of the average annual net assets of the fund for charging of selling and marketing expenses to the Fund which has also been approved by the Board.

16. TAXATION

The Fund's income is exempt from income tax as per 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 the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains 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, 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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

17. FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

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

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

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

As at March 31, 2020, the Fund held the following financial instruments measured at fair values:

	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Corporate sukuks	-	600,000	-	**600,000**
Commercial papers*	-	551,975	-	**551,975**
Term deposit receipts	-	1,000,000	-	**1,000,000**
Bai Muajjal receivable	-	2,905,538	-	**2,905,538**
	-	5,057,513	-	**5,057,513**

	As at June 30, 2019			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Corporate sukuks	-	675,000	-	**675,000**
Commercial papers*	-	1,471,289	-	**1,471,289**
Term deposit receipts	-	2,850,000	-	**2,850,000**
Bai Muajjal receivable	-	1,274,710	-	**1,274,710**
	-	6,270,999	-	**6,270,999**

* The valuation of commercial papers has been done based on amortisation of commercial paper to its face value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and they are placed with counterparties which have high credit rating.

18. GENERAL

18.1 Figures have been rounded off to the nearest thousand rupees.

18.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements during the period.

19 DATE OF AUTHORISATION

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive	**Chief Financial Officer**	**Director**