



Al Meezan
Investment Management Ltd.

AM1
Rating by VIS & PACRA

GALAXIES OF TRUE PROSPERITY

Meezan Islamic Fund reflects a horizon of growth and prosperity.

MEEZAN ISLAMIC FUND

The investment objective of the Fund is to maximize total investor returns by investing in Shariah Compliant equities focusing on both capital gains and dividend income.



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited

Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal
Karachi 74400, Pakistan.

Phone (+9221) 35630722-6, 111-MEEZAN

Fax: (+9221) 35676143, 35630808

Website: www.almeezangroup.com

E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Irfan Siddiqui	Chairman
Ms. Ayesha Umer	Non-Executive Nominee Director- PKIC
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Mr. Imtiaz Gadar	Chief Executive Officer
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Syed Amir Ali	Non-Executive Nominee Director- MBL
Syed Imran Ali Shah	Non-Executive Nominee Director- MBL

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Syed Haseeb Ahmed Shah

BOARD AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Ms. Ayesha Umer	Member
Syed Imran Ali Shah	Member

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

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

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Imtiaz Gadar	Member
Mr. Faiz Ur Rehman	Subject Matter Expert

TRUSTEE

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

AUDITORS

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

SHARIAH AUDITORS

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

LEGAL ADVISER

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

SHARIAH ADVISER

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

TRANSFER AGENT

Al Meezan Investment Management Limited

BANKERS TO THE FUND

1. Allied Bank Limited
2. Al Baraka Bank Pakistan Limited
3. Askari Bank Limited - Islamic Banking
4. Bank Al Habib Limited - Islamic Banking
5. Bank Alfalah Limited
6. Bank Islami Pakistan Limited
7. Dubai Islamic Bank Pakistan Limited
8. Faysal Bank Limited - Islamic Banking
9. Habib Bank Limited -Islamic Banking
10. Habib Metropolitan Bank Limited - Islamic Banking
11. MCB Bank Limited
12. MCB Islamic Bank Limited
13. Meezan Bank Limited
14. National Bank of Pakistan - Islamic Banking
15. Samba Bank Limited
16. Sindh Bank Limited
17. UBL Ameen - Islamic Banking

REPORT OF THE FUND MANAGER Meezan Islamic Fund (MIF)

Type of Fund

Open end equity fund

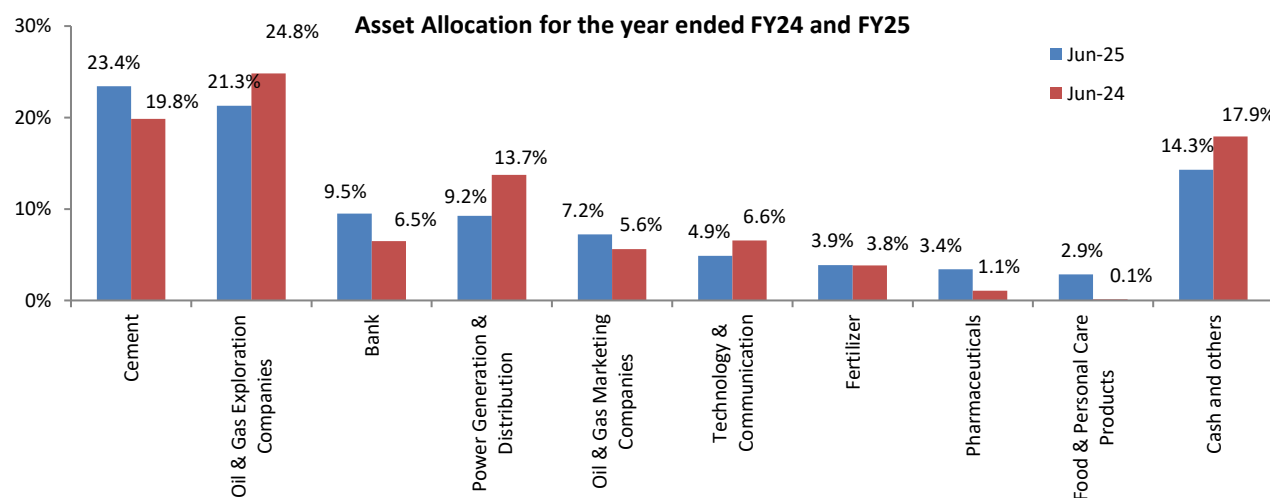
Objective

The objective of MIF is to provide the maximum total return to the unit holders from investment in "Shariah Compliant" investments for the given level of risk, while abiding by the Non-Banking Finance Companies Rules, 2003 and any other prevailing rules and regulations. Total return refers to returns from capital gains, realized and unrealized, and dividend income (from investment in secondary and primary equities - Musharika), rental income (from operating leases- Ijara), mark-up (from cost-plussales - Murabaha), and other Shariah Compliant investments.

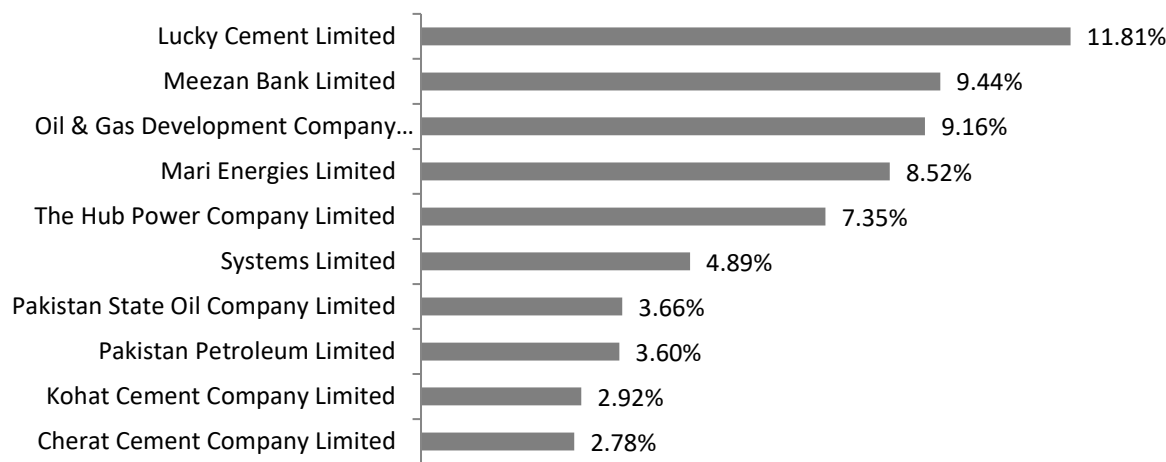
Strategy, Investment Policy and Asset Allocation

The performance of MIF is linked directly to the performance of equity market. The fund manager, Al Meezan Investment Management Limited, actively manages the fund with an aim to provide maximum risk adjusted total return to the investors. To control risk, the exposure in growth stocks is balanced against that of high dividend stocks. Moreover, the fund manager strives to reduce equity exposure in times when the market is trading above valuations while increasing equity exposures near troughs.

The fund began the year with an equity exposure of 93.13% and maintained an average exposure of approximately 96.01% throughout the year, closing at 95.95%. Exposure to the cement sector was increased, in the wake of receding inflation and a decline in interest rates—factors that typically benefit cyclical companies. While, exposure to Oil and Gas Exploration companies was reduced due to subdued international oil prices and a stable exchange rate, prompting a reallocation of capital toward more promising cyclical sectors. In the Power Generation and Distribution sector, the Hub Power Company Ltd. (HUBC) position was reduced due to its underperformance relative to the broader market. This was largely driven by government measures aimed at curbing high-capacity payments to Independent Power Producers (IPPs) through renegotiating and terminating contracts and shifting some power plants to a "take-and-pay" model in order to enhance overall energy sector efficiency. Meanwhile, the fund increased its allocation to the banking sector, particularly in Meezan Bank Ltd. (MEBL), driven by the bank's strong deposit growth and attractive dividend yield.



Top Holdings



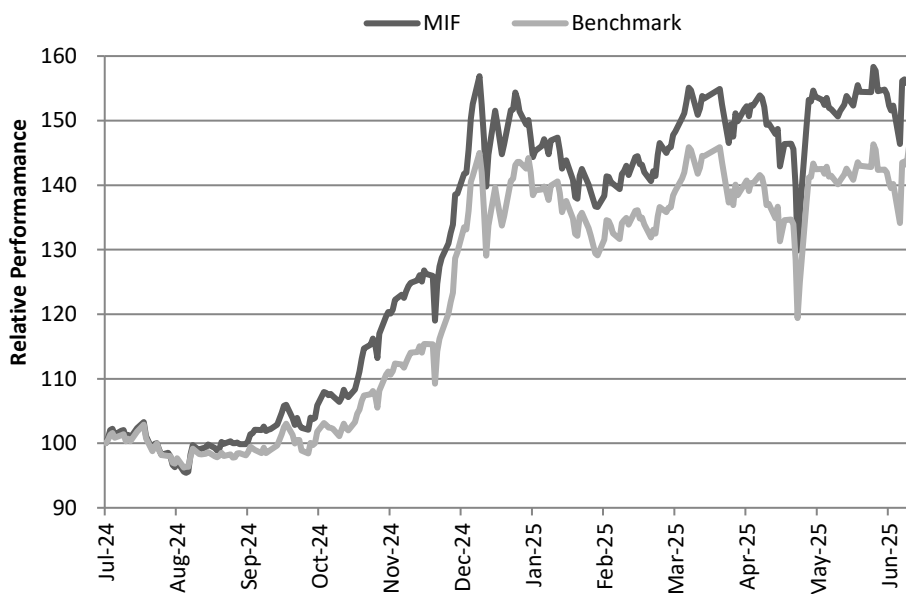
Performance Review

During FY25, Meezan Islamic Fund (MIF) provided a positive return of 59.22% to its investors and KSE Meezan Index (KMI 30) - Benchmark increased by 46.24% to close at 184,887 pts.

	MIF	KMI-30 (Benchmark)
Net Asset Value (NAV) as on June 30, 2024 -Rs.	81.67	126,424
Net Asset Value (NAV) as on June 30, 2025 -Rs.	129.01	184,886
Change (Points)	47.34	58,462
* Return During the Year	59.22%	46.24%

* The performance data has been computed NAV to NAV with dividend reinvested

MIF posted a total income of Rs. 16,888 million in the fiscal year 2025 as compared to a total income of Rs. 11,405 million last year. Total income comprised of realized and unrealized gains on investments of Rs. 4,672 million and Rs. 10,523 million respectively. Dividend income contributed Rs. 1,582 million to income, while profit on saving accounts with banks amounted to Rs. 110 million. After accounting for expenses of Rs. 1,472 million, the Fund posted a net income of Rs. 15,416 million. The net assets of the Fund as at June 30, 2025 were Rs. 43,811 million as compared to Rs. 23,095 million at the end of year depicting an increase of 90%. The net asset value per unit as at June 30, 2025 was Rs. 129.0058 as compared to Rs. 81.6663 per unit as on June 30, 2024.



Charity Statement

The Fund purifies the income earned by setting aside an amount payable by the Management Company out of the income of the Trust to charitable/welfare organizations, in consultation with Shariah Advisor, representing income that is Haram. During the year ended June 30, 2025 an amount of Rs. 89 million was accrued as charity payable.

Distributions

An interim distribution in the form of cash dividend by the Fund during the fiscal year ended June 30, 2025 was Re. 1 per unit (2.00%). Total distribution made by the Fund was Rs. 242 million.

SWWF Disclosure

Not applicable

Breakdown of unit holdings by size:

(As on June 30, 2025)

Range (Units)	No. of Investors
1 - 9,999	15,666
10,000 - 49,999	6,392
50,000 - 99,999	4,441
100,000 - 499,999	2,051
500,000 and above	3,990
Total	32,540



Summary of Actual Proxy Voted by the Fund

	Resolutions	For	Against	Abstain
Number	11	11	0	0
Percentage	100%	100%	0%	0%

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel: (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN ISLAMIC FUND

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Meezan Islamic Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2025 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 12, 2025

Dr. Muhammad Imran Usmani

Jamia Darul Uloom Karachi
Korangi Industrial Area Karachi, Pakistan
Postal Code 75180
Tel: +92 21 35123225
Fax: +92 21 5040234
Email: miu786@gmail.com

Report of the Shariah Advisor – Meezan Islamic Fund (MIF)

August 12, 2025/Safar 17, 1447 AH

Alhamdulillah, the period from July 1, 2024 to June 30, 2025 was the Twenty-Second year of operations of Meezan Islamic Fund (the “MIF” or the “Fund”) under management of Al Meezan Investment Management Limited (the “Al Meezan” or the “Management Company”). I, Dr. Muhammad Imran Ashraf Usmani, am the Shariah Advisor of the Fund and issuing the Shariah Advisor Report (the “Report”) in accordance with the Trust Deed of the Fund. The scope of the Report is to express an opinion on the Shariah compliance of the Fund’s activity.

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

It is also the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the Management Company’s personnel and review of various documents prepared by the Management Company to comply with the Shariah Advisor’s guidelines.

We have reviewed and approved the modes of investments of the Fund in light of Shariah requirements. On the basis of information provided by the Management Company, all operations of the Fund for the year ended June 30, 2025 have been in compliance with the Shariah principles.

In light of the above, we hereby certify that all the provisions of the scheme and investments made on account of the Fund under management of Al Meezan are Shariah-compliant and in accordance with the criteria established by us.

We further confirm that earnings realized through prohibited sources were transferred to the charity.

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

And Allah knows the best.



Dr. Muhammad Imran Ashraf Usmani
Shariah Advisor

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

To The Board of Directors of Al Meezan Investment Management Limited

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) – External Shariah Audit of **Meezan Islamic Fund** (the Fund) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with the Shariah principles for the year ended **June 30, 2025**. This engagement was conducted by a multidisciplinary team including assurance practitioners and an independent Shariah scholar.

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2025) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under:

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

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

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2025, which are annexed.

3. Management's Responsibility for Shariah Compliance

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

4. Our Independence and Quality Control

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

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

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications, with Shariah principles in all material respects for the year ended June 30, 2025, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

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

6. Conclusion

Based on our reasonable assurance engagement, we report that, in our opinion, the Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2025 are in compliance with the Shariah principles (criteria specified in paragraph 2 above), in all material respects.

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


Chartered Accountants

Date: September 25, 2025
Place: Karachi



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Meezan Islamic Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Meezan Islamic Fund (the Fund / Collective Investment Scheme), which comprise the statement of assets and liabilities as at June 30, 2025, and the income statement, the statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2025, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 5 and 6 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks aggregated to Rs. 896.86 million and investments of the Fund amounted to Rs. 43,014.93 million as at June 30, 2025. The existence and proper valuation of investments and existence of balances with banks for the determination of NAV of the Fund as at June 30, 2025 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none">Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2025 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed;Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; andObtained bank reconciliation statements and tested reconciling items on a sample basis.



Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

A. F. Ferguson & Co.

Chartered Accountants

Dated: September 25, 2025

Karachi

UDIN: AR2025100815gDoIydT9



MEEZAN ISLAMIC FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2025

	Note	2025	2024
		----- (Rupees in '000) -----	
Assets			
Balances with banks	5	896,859	670,802
Investments	6	43,014,926	23,351,025
Receivable against sale of investments		-	67,741
Receivable against conversion of units		741,741	50,000
Dividend receivable		14,775	12,518
Advances, deposits and profit receivable	7	163,589	43,479
Total assets		44,831,890	24,195,565
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	8	22,684	41,516
Payable to Central Depository Company of Pakistan Limited - Trustee	9	4,064	2,214
Payable to the Securities and Exchange Commission of Pakistan	10	3,287	1,805
Payable against redemption and conversion of units		447,366	56,780
Payable against purchase of investment		117,378	-
Payable to Meezan Bank Limited		1,104	370
Dividend payable		-	392,792
Accrued expenses and other liabilities	11	424,907	605,075
Total liabilities		1,020,790	1,100,552
Net assets		43,811,100	23,095,013
Unit holders' fund (as per statement attached)		43,811,100	23,095,013
Contingencies and commitments	12		
		----- (Number of units) -----	
Number of units in issue		339,605,663	282,797,267
		----- (Rupees) -----	
Net asset value per unit		129.0058	81.6663

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN ISLAMIC FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025 (Rupees in '000)	2024 (Rupees in '000)
Income			
Dividend income		1,581,944	1,246,940
Profit on savings accounts with banks		110,160	105,998
Net realised gain on sale of investments		4,672,354	2,685,062
Other income		454	-
		<u>6,364,912</u>	<u>4,038,000</u>
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	<u>10,523,469</u>	<u>7,367,114</u>
Total income		<u>16,888,381</u>	<u>11,405,114</u>
Expenses			
Remuneration of Al Meezan Investment Management Limited - Management Company	8.1	825,476	398,251
Sindh Sales Tax on remuneration of the Management Company	8.2	123,821	51,773
Allocated expenses	8.3	23,686	12,080
Sindh Sales Tax on allocated expenses	8.2	3,553	-
Selling and marketing expenses	8.4	190,928	171,136
Sindh Sales Tax on Selling and marketing expenses	8.2	28,639	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	35,876	20,915
Sindh Sales Tax on remuneration of the Trustee	9.2	5,381	2,719
Fee to the Securities and Exchange Commission of Pakistan	10.1	33,129	18,917
Auditors' remuneration	13	1,253	1,092
Charity expense	11.1	89,353	41,987
Fees and subscription		3,537	2,598
Legal and professional charges		73	-
Brokerage expense		101,612	41,359
Bank and settlement charges		5,671	2,578
Printing expense		53	13
Other expenses		-	317
Total expenses		<u>1,472,041</u>	<u>765,735</u>
Net income for the year before taxation		<u>15,416,340</u>	<u>10,639,379</u>
Taxation	15	-	-
Net income for the year after taxation		<u>15,416,340</u>	<u>10,639,379</u>
Allocation of net income for the year			
Net income for the year after taxation		15,416,340	10,639,379
Income already paid on units redeemed		(4,169,829)	(2,065,259)
		<u>11,246,511</u>	<u>8,574,120</u>
Accounting income available for distribution			
- Relating to capital gains		11,246,511	8,574,120
- Excluding capital gains		-	-
		<u>11,246,511</u>	<u>8,574,120</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN ISLAMIC FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025**



Meezan
Islamic Fund

	2025	2024
	(Rupees in '000)	
Net income for the year after taxation	15,416,340	10,639,379
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>15,416,340</u>	<u>10,639,379</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN ISLAMIC FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2025**



	2025			2024		
	Capital value	Undistributed income	Total	Capital value	(Accumulated loss) / Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year	17,451,883	5,643,130	23,095,013	17,223,993	(69,187)	17,154,806
Issue of 676,332,929 units (2024: 357,826,472 units)						
- Capital value (at net asset value per unit at the beginning of the year)	55,233,608	-	55,233,608	19,609,785	-	19,609,785
- Element of income	19,961,400	-	19,961,400	8,655,850	-	8,655,850
Total proceeds on issuance of units	75,195,008		75,195,008	28,265,635	-	28,265,635
Redemption of 619,524,533 units (2024: 388,058,649 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(50,594,276)	-	(50,594,276)	(21,266,584)	-	(21,266,584)
- Element of loss	(14,795,955)	(4,169,829)	(18,965,784)	(6,341,883)	(2,065,259)	(8,407,142)
Total payments on redemption of units	(65,390,231)	(4,169,829)	(69,560,060)	(27,608,467)	(2,065,259)	(29,673,726)
Total comprehensive income for the year	-	15,416,340	15,416,340	-	10,639,379	10,639,379
Distribution during the year	-	(241,950)	(241,950)	-	(2,861,803)	(2,861,803)
Refund of capital during the year	(93,251)		(93,251)	(429,278)	-	(429,278)
Net income for the year less distribution	(93,251)	15,174,390	15,081,139	(429,278)	7,777,576	7,348,298
Net assets at the end of the year	27,163,409	16,647,691	43,811,100	17,451,883	5,643,130	23,095,013
Undistributed income brought forward						
- Realised (loss) / income		(1,723,984)			529,214	
- Unrealised gain / (loss)		7,367,114			(598,401)	
		5,643,130			(69,187)	
Accounting income available for distribution						
- Relating to capital gains	11,246,511			8,574,120		
- Excluding capital gains						
	11,246,511			8,574,120		
Distribution during the year @ Re. 1 per unit (2024: Rs. 13.1345) declared on June 27, 2025		(241,950)			(2,861,803)	
Undistributed income carried forward		16,647,691			5,643,130	
Undistributed income carried forward						
- Realised income / (loss)		6,124,222			(1,723,984)	
- Unrealised income		10,523,469			7,367,114	
		16,647,691			5,643,130	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the year			81.6663			54.8025
Net asset value per unit at the end of the year			129.0058			81.6663

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

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

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN ISLAMIC FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**



Note	2025	2024
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	15,416,340	10,639,379
Adjustment for:		
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2 (10,523,469)	(7,367,114)
Dividend income	(1,581,944)	(1,246,940)
Profit on savings accounts with banks	(110,160)	(105,998)
	<u>3,200,767</u>	<u>1,919,327</u>
(Increase) / decrease in assets		
Investments - net	(8,955,313)	964,748
Advances and deposits	(125,612)	(29,000)
	(9,080,925)	935,748
(Decrease) / increase in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	(18,832)	(13,127)
Payable to Central Depository Company of Pakistan Limited - Trustee	1,850	513
Payable to the Securities and Exchange Commission of Pakistan	1,482	(2,364)
Payable to Meezan Bank Limited	734	250
Accrued expenses and other liabilities	(180,168)	272,460
	(194,934)	257,732
Dividend received	1,579,687	1,256,782
Profit received on savings accounts with banks	115,662	103,898
Net cash (used in) / generated from operating activities	<u>(4,379,743)</u>	<u>4,473,487</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units - net of refund of capital	74,410,016	27,920,428
Payment against redemption and conversion of units	(69,169,474)	(29,834,992)
Dividend paid	(634,742)	(2,469,011)
Net cash generated from / (used in) financing activities	4,605,800	(4,383,575)
Net increase in cash and cash equivalents during the year	<u>226,057</u>	<u>89,912</u>
Cash and cash equivalents at the beginning of the year	670,802	580,890
Cash and cash equivalents at the end of the year	<u>5</u> <u>896,859</u>	<u>670,802</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Islamic Fund (the Fund) was established under a Trust Deed executed under the Trust Act, 1882 between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 16, 2003 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 4, 2003 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, 2008). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.

In the year 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act). Accordingly, on September 2, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

- 1.2 The Fund has been formed to enable the unit holders to participate in a diversified portfolio of securities, which are Shariah compliant and to optimise total investment returns through prudent investment management, which would consist of combination of capital appreciation and income. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The Management Company has appointed Meezan Bank Limited (MBL) 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 fund 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 Equity Scheme in accordance with Circular 7 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP).
- 1.4 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 31, 2024 (2024: 'AM1' dated December 29, 2023) and by PACRA dated May 15, 2025 (2024: AM1 dated June 21, 2024). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PRESENTATION

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

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

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have, therefore, not been disclosed in these financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2025) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

3.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors, including expectation of future events, that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both the current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 4.1 and 6).

3.5 Accounting convention

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

3.6 Functional and presentation currency

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

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

4.1 Financial assets

4.1.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

4.1.2 Classification and subsequent measurement

4.1.2.1 Equity instruments

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

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

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

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

4.1.2.2 Cash and cash equivalents

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

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

4.1.3 Impairment

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost. The fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

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

4.1.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

4.1.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss arising on derecognition of financial assets is taken to the Income Statement.

4.2 Financial liabilities

4.2.1 Classification and subsequent measurement

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value and subsequently stated at amortised cost.

4.2.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the Income Statement.

4.3 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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

4.4 Provisions

Provisions are recognised when the Fund has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as at the close of the business day, plus the allowable sales load, provision of any duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

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

4.7 Distribution to unit holders

Distribution to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

4.8 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income / (loss) is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.10 Revenue recognition

- Gains / (losses) arising on sale of investments are included in Income Statement and are recognised on the date when the transaction takes place;
- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the year in which these arise;
- Dividend income is recognised when the Fund's right to receive the same is established, i.e. on the commencement of the date of book closure of the investee company / institution declaring the dividend; and
- Profit on balances with banks is recognised on an accrual basis.

4.11 Treatment of Shariah non-compliant Income

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

4.12 Expenses

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

4.13 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

5	BALANCES WITH BANKS	Note	2025 ———— (Rupees in '000) ————	2024 ———— (Rupees in '000) ————
	Balances with banks in:			
	Savings accounts	5.1	886,883	663,816
	Current accounts	5.2	9,976	6,986
			<u>896,859</u>	<u>670,802</u>

5.1 This includes a balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 3.25% (2024: 11.01%) per annum. Other savings accounts of the Fund have expected profit rates ranging from 3.00% to 11.00% (2024: 6.75% to 19.82%) per annum.

5.2 This includes balances maintained with Meezan Bank Limited (a related party).

6 INVESTMENTS

Note

2025

2024

(Rupees in '000)

At fair value through profit or loss

Shares of listed companies - 'ordinary shares'

6.1

43,014,926

23,351,025

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2024	Purchased during the year	Bonus / rights issue received during the year	Sold / transfers during the year	As at June 30, 2025	Carrying value as June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation/ (diminution) as at June 30, 2025	Percentage in relation to			
									Net assets of the Fund*	Total market value of investments of the Fund*	Paid-up capital of investee company (with face value of investment)†	
	(Number of shares)					(Rupees in '000)						
Automobile Assembler												
Milaf Tractors Limited	32,269	151,616	-	175,517	8,368	4,834	4,675	(159)	0.01%	0.01%	0.00%	
Sazgar Engineering Works Limited	85,413	61,804	-	142,550	4,667	4,247	5,320	1,073	0.01%	0.01%	0.01%	
									0.02%	0.02%	0.01%	
Chemicals												
Dynea Pakistan Limited (note 6.1.1)	280,800	-	-	-	280,800	63,326	79,520	16,194	0.16%	0.18%	1.49%	
Itehad Chemical Limited	173,500	138,243	-	228,292	83,451	3,905	6,510	2,605	0.01%	0.02%	0.08%	
Nimir Resins Limited	-	290,725	-	180,250	110,475	2,982	3,302	320	0.01%	0.01%	0.08%	
Lucky Core Industries Limited	285,990	98,900	-	77,834	307,055	303,783	487,995	184,212	1.11%	1.13%	0.33%	
Sitara Chemical Limited	40,000	-	-	25,000	15,000	5,165	7,437	2,272	0.02%	0.02%	0.07%	
									1.33%	1.36%	2.05%	
Cement												
Attock Cement Pakistan Limited (note 6.1.6)	238,300	2,687,803	-	941,978	1,984,125	339,770	580,555	240,785	1.33%	1.35%	1.44%	
Bestway Cement Limited	284,500	-	-	-	284,500	63,808	115,365	51,557	0.26%	0.27%	0.05%	
Cherat Cement Company Limited	3,246,631	2,100,953	-	1,048,108	4,298,576	891,359	1,247,876	356,517	2.85%	2.90%	2.21%	
D.G. Khan Cement Company Limited	4,397,154	5,098,073	-	7,918,288	1,576,939	204,721	261,078	56,357	0.60%	0.61%	0.38%	
Power Cement Limited	-	42,797,875	-	11,500,000	31,297,875	395,322	425,025	29,703	0.97%	0.99%	2.62%	
Fauji Cement Company Limited	13,505,000	9,135,000	-	14,055,505	8,583,495	302,747	383,425	80,678	0.88%	0.89%	0.35%	
Kohat Cement Company Limited (note 6.1.6)	5,267,214	195,000	-	2,016,493	3,445,721	883,843	1,307,169	423,326	2.98%	3.04%	1.87%	
Lucky Cement Limited (note 6.1.1 & 6.1.2)	2,035,174	15,326,499	-	2,461,602	14,900,071	3,187,479	5,293,101	2,105,622	12.08%	12.31%	1.02%	
Maple Leaf Cement Factory Limited	9,742,742	5,083,139	-	6,199,890	8,625,991	349,960	726,998	377,038	1.66%	1.69%	0.82%	
Pioneer Cement Limited	684,249	140,428	-	153,928	686,749	118,626	155,299	36,773	0.35%	0.36%	0.30%	
Thatta Cement Company Limited	-	125,000	-	125,000	-	-	-	-	-	-	-	
									23.96%	24.41%	11.05%	
Paper, Board and Packaging												
Century Paper & Board Mills Limited	5,341,383	310,000	-	854,591	4,796,792	142,967	149,708	6,741	0.34%	0.35%	1.19%	
Packages Limited	586,865	433,238	-	158,998	861,105	447,614	477,552	29,938	1.09%	1.11%	0.96%	
									1.43%	1.46%	2.16%	
Technology and Communication												
NetSol Technologies Limited	-	100,000	-	100,000	-	-	-	-	-	-	-	
AirLink Communication Limited (note 6.1.6)	1,937,960	-	-	1,924,623	13,337	1,185	2,036	851	0.00%	0.00%	0.00%	
Systems Limited (note 6.1.1)	3,527,858	17,995,820	-	1,064,832	20,459,646	1,853,072	2,192,046	338,974	5.00%	5.10%	6.97%	
									5.00%	5.10%	6.97%	
Refinery												
Attock Refinery Limited	695,500	245,000	-	622,545	317,955	110,044	216,025	105,981	0.49%	0.50%	0.30%	
Cnergyco PK Limited	16,784,144	4,000,000	-	5,150,000	15,634,144	74,822	111,471	36,649	0.25%	0.26%	0.28%	
Pakistan Refinery Limited	5,253,779	3,600,000	-	1,250,000	7,603,779	206,354	257,996	51,642	0.59%	0.60%	1.21%	
National Refinery Limited	382,896	130,000	-	512,896	-	-	-	-	-	-	-	
									1.33%	1.36%	1.79%	
Commercial Banks												
Faysal Bank Limited	-	2,019,020	-	1,719,020	300,000	17,697	20,916	3,219	0.05%	0.05%	0.02%	
Meezan Bank Limited (a related party of the Fund)	6,796,694	11,826,670	-	5,878,072	12,745,292	3,023,909	4,232,074	1,208,165	9.66%	9.84%	0.71%	
									9.71%	9.89%	0.73%	
Oil and Gas Marketing Companies												
Attock Petroleum Limited	858,609	28,098	-	70,621	816,086	316,369	391,411	75,042	0.89%	0.91%	0.65%	
Hascal Petroleum Limited	39,192	-	-	39,192	-	-	-	-	-	-	-	
Pakistan State Oil Company Limited	3,953,174	8,014,227	-	7,621,089	4,346,392	1,308,775	1,640,893	332,118	3.75%	3.81%	0.93%	
Sui Northern Gas Pipelines Limited	6,608,617	6,457,219	-	4,630,000	8,433,836	711,642	984,313	272,671	2.25%	2.29%	1.33%	
Sui Southern Gas Company Limited	-	15,718,981	-	10,575,000	5,143,981	200,697	220,111	19,414	0.50%	0.51%	0.58%	
									7.39%	7.52%	3.50%	

Name of the investee company	As at July 1, 2024	Purchased during the year	Bonns / rights issue received during the year	Sold / transfers during the year	As at June 30, 2025	Carrying value as June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation/ (diminution) as at June 30, 2025	Percentage in relation to		
									Net assets of the Fund*	Total market value of investments of the Fund*	Paid-up capital of investee company (with face value of investment)*
					(Number of shares)			(Rupees in '000)			
Oil and Gas Exploration Companies											
Oil and Gas Development Company Limited (note 6.1.2)	11,762,671	12,046,166	-	5,206,255	18,622,582	2,936,005	4,107,397	1,171,392	9.38%	9.55%	0.43%
Pakistan Petroleum Limited	18,192,674	7,819,693	-	16,515,877	9,496,490	1,194,662	1,616,018	421,356	3.69%	3.76%	0.35%
Mani Energies Limited (note 6.1.2 and 6.1.3)	921,486	3,183,915	5,099,696	3,912,645	6,092,452	2,523,682	3,819,297	1,295,615	8.72%	8.88%	0.51%
									21.79%	22.19%	1.29%
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	-	50,000	-	50,000	-	-	-	-	-	-	-
Citi Pharma Ltd.	-	1,000,000	-	30,000	970,000	94,018	81,451	(12,567)	0.19%	0.19%	0.42%
Ferozsons Laboratories Limited	136,000	250,000	-	94,000	292,000	82,339	113,769	31,430	0.26%	0.26%	0.67%
Glaxosmithkline Pakistan Limited	-	1,379,400	-	784,005	595,395	98,633	232,632	133,999	0.53%	0.54%	0.19%
AGP Limited	-	1,050,000	-	513,019	536,981	106,663	102,542	(4,121)	0.23%	0.24%	0.19%
Haleon Pakistan Limited	403,856	408,055	-	159,033	652,878	388,727	480,733	92,006	1.10%	1.12%	0.56%
Hightnoon Laboratories Limited	221,696	7,500	-	412	228,784	163,304	226,029	62,725	0.52%	0.53%	0.43%
The Searle Company Limited	1,304,155	11,210,000	-	9,166,392	3,347,773	253,329	293,600	40,271	0.67%	0.68%	0.65%
									3.50%	3.58%	3.12%
Power Generation and Distribution											
The Hub Power Company Limited	20,012,494	24,563,368	-	20,681,648	23,914,214	3,328,292	3,295,618	(32,674)	7.52%	7.66%	1.84%
K-Electric Limited (note 6.1.1)	39,322,403	167,693,772	-	44,959,254	162,056,911	812,308	850,799	38,491	1.94%	1.96%	0.59%
									9.46%	9.64%	2.43%
Fertilizer											
Fatima Fertilizers Limited	-	3,619,789	-	160,000	3,459,789	195,334	343,938	148,604	0.79%	0.80%	0.16%
Fauji Fertilizer Company Limited (note 6.1.5)	-	1,234,857	-	150,000	1,084,857	413,930	425,709	11,779	0.97%	0.99%	0.08%
Engro Corporation Limited (note 6.1.2 & 6.1.4)	2,258,674	3,590,273	-	5,848,947	-	-	-	-	-	-	-
Engro Fertilizers Limited	591,372	7,258,469	-	2,630,163	5,219,678	902,737	968,720	65,983	2.21%	2.25%	0.39%
Fauji Fertilizer Bin Qasim Limited (note 6.1.5)	3,035,350	8,178,838	-	11,214,188	-	-	-	-	-	-	-
									3.97%	4.04%	0.63%
Engineering											
Crescent Steel & Allied Products Limited (note 6.1.6)	-	1,808,038	-	369,105	1,438,933	161,125	166,384	5,259	0.38%	0.39%	1.85%
Mughal Iron & Steel Industries Limited	1,046,235	50,000	-	1,095,235	-	-	-	-	-	-	-
International Industries Limited	-	1,152,469	-	125,000	1,027,469	183,093	181,872	(1,221)	0.42%	0.42%	0.78%
International Steel Limited	200,000	525,000	-	100,307	624,693	47,761	57,909	10,148	0.13%	0.13%	0.14%
									0.93%	0.94%	2.78%
Food and Personal Care Products											
Al-Shabeer Corporation Limited	58,967	-	-	58,967	-	-	-	-	-	-	-
National Foods Limited (note 6.1.1)	-	3,169,245	-	530,000	2,639,245	684,307	863,640	179,333	1.97%	2.01%	1.13%
Frieslandcampina Engro Pakistan Limited	-	250,000	-	-	250,000	24,713	21,817	(2,896)	0.05%	0.05%	0.03%
Treet Corporation Limited	-	12,840,255	-	400,000	12,440,255	288,430	294,461	6,031	0.67%	0.68%	3.35%
Barkat Frisian Agro Limited (note 6.1.1)	-	1,139,392	-	650,000	489,392	11,969	20,041	8,072	0.05%	0.05%	0.16%
The Organic Meat Company Limited	775,000	3,378,354	647,180	2,227,782	2,572,752	89,611	84,592	(5,019)	0.19%	0.20%	1.44%
									2.93%	2.99%	6.12%
Glass and Ceramics											
Ghani Global Glass Limited	-	2,060,095	-	-	2,060,095	83,596	93,610	10,014	0.21%	0.22%	0.21%
Shabbir Tiles and Ceramics Limited (note 6.1.1)	1,051,500	-	-	50,000	1,001,500	14,522	14,111	(411)	0.03%	0.03%	0.42%
Tariq Glass Industries Limited	1,036,179	2,018,694	-	83,714	2,971,159	507,623	746,266	238,643	1.70%	1.73%	1.73%
									1.94%	1.98%	2.35%
Textile Composite											
Interloop Limited	8,785,826	2,722,747	-	5,704,112	5,804,461	391,981	393,310	1,329	0.90%	0.91%	0.41%
Kohinoor Textile Mills Limited (note 6.1.6)	1,588,659	-	-	898,937	689,722	57,219	135,365	78,146	0.31%	0.31%	0.26%
Nisbat Mills Limited	-	250,000	-	250,000	-	-	-	-	-	-	-
									1.21%	1.22%	0.67%
Leather & Tanneries											
Service Global Footwear Limited	568,325	-	-	295,000	273,325	20,270	21,697	1,427	0.05%	0.05%	0.13%
									0.05%	0.05%	0.13%
Real Estate Investment Trust											
TPL Reit Fund I	1,419,935	-	-	1,375,019	44,916	674	634	(40)	0.00%	0.00%	0.00%
									0.00%	0.00%	0.00%
Property											
TPL Properties Limited	2,525,000	-	-	2,525,000	-	-	-	-	-	-	-

Name of the investee company	As at July 1, 2024	Purchased during the year	Bonus / rights issue received during the year	Sold / transfers during the year	As at June 30, 2025	Carrying value as June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation/ (diminution) as at June 30, 2025	Percentage in relation to		
									Net assets of the Fund*	Total market value of investments of the Fund*	Paid-up capital of investee company (with face value of investment) *
	(Number of shares)					(Rupees in '000)					
Transport											
Pakistan International Bulk Terminal	2,500,000	-	-	2,500,000	-	-	-	-	-	-	-
Miscellaneous											
Shifa International Hospitals Limited	-	270,000	-	65,000	205,000	35,871	97,402	61,531	0.22%	0.23%	0.32%
Pakistan Aluminum Beverage Cans Limited (note 6.1.6)	1,297,253	-	-	1,058,868	238,385	17,605	34,392	16,787	0.08%	0.08%	0.07%
									0.30%	0.31%	0.39%
Inv. Banks /Inv.Cos./Securities Cos											
Engro Holdings Limited (note 6.1.4)	-	15,162,661	-	10,550,650	4,612,011	836,200	841,969	5,769	1.92%	1.96%	0.38%
									1.92%	1.96%	0.38%
Total as at June 30, 2025						32,491,457	43,014,926	10,523,469	98.17%	100%	
Total as at June 30, 2024						15,983,911	23,351,025	7,367,114			

*Nil figures due to rounding off

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

Name of the investee company	Nominal value per share as on June 30, 2025 (Rs.)	Subdivision of share during the year	Additional shares received on account of subdivision of shares during the year
Dynea Pakistan Limited	5.00	-	-
Shabbir Tiles and Ceramics Limited	5.00	-	-
National Foods Limited	5.00	-	-
K-Electric Limited	3.50	-	-
Lucky Cement Limited	2.00	On April 28, 2025 from Rs .10/- to Rs .2/- per share	12,756,404
Systems Limited	2.00	On June 2, 2025 from Rs .10/- to Rs .2/- per share	16,214,180
Barkat Frisian Agro Limited	1.00	-	-

6.1.2 Investments include 485,000 shares of Lucky Cement Limited, 50,000 shares of Mari Energies Limited and 500,000 shares of Oil & Gas Development Company Limited (2024: 1,060,000 shares of Engro Corporation Limited), having market value of Rs. 172.291 million, 31.345 million and 110.28 million respectively as at June 30, 2025 (2024: Rs. 352.673 million) which have been pledged as collateral in favour of National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

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

In this regard, a petition was filed by the Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CIS. The petition is based on the grounds that since the CISs are exempt from levy of income tax in terms of 99 of Part-I of the Second Schedule to the ITO, no tax is payable by the Fund under Section 236Z of the ITO. During the current year, the Honorable High Court of Sindh has issued notices to the relevant parties and ordered to retain the bonus shares being withheld and no tax shall be paid under section 236Z of the ITO till further orders by the Court. As at June 30, 2025, the bonus shares of the Fund withheld by a certain company at the time of declaration of bonus shares amounted to Rs. 364.385 million.

6.1.4 During the year, Engro Corporation Limited (ENGRO) has been merged with and into Engro Holdings Limited (ENGROH) (formerly known as Dawood Hercules Corporation Limited), upon sanction by the Honourable Islamabad High Court on July 18, 2024. In accordance with the Scheme of Arrangement, and in consideration for the merger in terms thereof, ENGROH will allot and issue ordinary shares of ENGROH to the ENGRO shareholders (being the members of ENGRO, other than ENGROH and its nominees, if any), based on a swap ratio of 2.24407865 ENGROH shares for each ordinary share held by them (subject to the adjustment of fractional shares), in the manner detailed in the Scheme.

As a result of the above arrangement, the Fund received 11,122,849 shares of Engro Holdings Limited in lieu of 4,956,533 shares of Engro Corporation Limited based on the ratio of DH Corp (renamed as Engro Holdings Limited) shares to Engro Corp shares under the Scheme (i.e. 2.24407865).

6.1.5 During the period, Fauji Fertilizer Bin Qasim Limited (FFBL) has been merged with and into Fauji Fertilizer Company Limited (FFCL), upon sanction by the Honourable Lahore High Court, Rawalpindi Bench. In accordance with the Scheme of Arrangement, and in consideration for the merger in terms thereof, FFCL will allot and issue an aggregate of 150,870,449 ordinary shares of FFCL (FFCL Shares) to the FFBL Shareholders (being the members of FFBL, other than FFCL and its nominees, if any), based on a swap ratio of 1 (one) FFCL Share for every 4.29 ordinary shares of FFBL held by each FFBL Shareholder (subject to the adjustment of fractional shares). As result of above arrangement, the Fund received 1,234,857 shares of Fauji Fertilizer Company Limited (FFC) in lieu of 5,297,540 shares of Fauji Fertilizer Bin Qasim Limited (FFBL). FFC shares are considered non-compliant investment in accordance with KMI All Share Islamic Index.

6.1.6 On June 02, 2025, Pakistan Stock Exchange (PSX) issued a notice no PSX/N-570 regarding the recomposition exercise carried out by PSX on KMI All Share Islamic Index. In the stated notice, Attock Cement Limited, Kohat Cement Company Limited, AirLink Communication Limited, Crescent Steel & Allied Products Limited, Kohinoor Textile Mills Limited and Pakistan Aluminium Beverage Cans Limited were declared as non-compliant of the Index and hence are considered to be the non-compliant investments as at June 30, 2025. However, these shares were compliant according to the KMI All Share Islamic Index at the time of investment. The Fund may retain these previously purchased shares until the next two quarters after Shariah status is updated. The Fund is required to disclose the shariah non-compliant investments in accordance with the additional disclosure requirements enacted vide S.R.O.600(I)/2025.

	Note	2025 ----- (Rupees in '000) -----	2024
6.2	Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		
Market value of investments	6.1	43,014,926	23,351,025
Less: carrying value of investments	6.1	(32,491,457)	(15,983,911)
		<u>10,523,469</u>	<u>7,367,114</u>
7	ADVANCES, DEPOSITS AND PROFIT RECEIVABLE		
Security deposit with Central Depository Company of Pakistan Limited		100	100
Security deposit with National Clearing Company of Pakistan Limited		2,500	2,500
Advance to Meezan Bank Limited against IBFT redemptions		30,000	30,000
Profit receivable on balances with banks		5,377	10,879
Receivables against withholding tax on bonus shares	7.1	125,612	-
		<u>163,589</u>	<u>43,479</u>

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

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

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

As at June 30, 2025, an amount of Rs. 125.612 million is receivables against withholding tax on bonus shares in respect of bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares.

8	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2025	2024
			----- (Rupees in '000) -----	
	Remuneration payable	8.1	17,728	6,244
	Sindh Sales Tax payable on remuneration of the Management Company	8.2	2,658	812
	Allocated expenses payable	8.3	-	-
	Selling and marketing expenses payable	8.4	-	32,593
	Sales load payable		1,998	1,652
	Sindh Sales Tax payable on sales load		300	215
			<u>22,684</u>	<u>41,516</u>

- 8.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the following rates per annum of the average annual net assets of the Fund during the year ended June 30, 2025:

2025			2024
Rate applicable from May 19, 2025 to June 30, 2025	Rate applicable from January 01, 2025 to May 18, 2025	Rate applicable from July 01, 2024 to December 31, 2024	Rate applicable from July 01, 2023 to June 30, 2024
3% of the average annual net assets of the Fund	2.5% of the average annual net assets of the Fund	2% of the average annual net assets of the Fund	2% of the average annual net assets of the Fund

The remuneration is payable to the Management Company monthly in arrears.

During the year ended June 30, 2025, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, introduced the management fee cap of 3% to be calculated on a per annum basis of the average daily net assets, applicable to an "Equity Scheme". This revision is effective from July 1, 2025. As at June 30, 2025 the Fund is not subject to a management fee cap.

- 8.2 Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of Management Company has been enhanced from the rate of 13% to 15% (2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

Further, Sindh sales tax at the rate of 15% has also been levied on any reimbursable expenditure to the Management Company effective July 1, 2024 vide Sindh Finance Act, 2024.

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

The Management Company, based on its own discretion, has charged such expenses at the following rates during the year ended June 30, 2025, subject to total expense charged being lower than actual expense incurred:

2025		2024	
Rate applicable from January 01, 2025 to May 18, 2025	Rate applicable from July 01, 2024 to December 31, 2024	Rate applicable from July 01, 2023 to January 31, 2024	Rate applicable from February 01, 2024 to June 30, 2024
0.0875% of the average annual net assets of the Fund	0.07% of the average annual net assets of the Fund	0.11% of the average annual net assets of the Fund	0.00% of the average annual net assets of the Fund

Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to registrar services, accounting, operation and valuation services has been excluded. This amendment was effective immediately upon its release on April 10, 2025, except where a later date was explicitly approved by the SECP.

- 8.4 In accordance with Circular 11 dated July 5, 2019 issued by the SECP with respect to selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the following rates during the year ended June 30, 2025, subject to total expense charged being lower than actual expense incurred:

2025			2024	
Rate applicable from January 1, 2025 to May 18, 2025	Rate applicable from August 19, 2024 to December 31, 2024	Rate applicable from July 1, 2024 to August 18, 2024	Rate applicable from April 01, 2024 to June 30, 2024	Rate applicable from July 01, 2023 to March 31, 2024
0.55% of the average annual net assets of the Fund	0.80% of the average annual net assets of the Fund	0.50% of the average annual net assets of the Fund	0.50% of the average annual net assets of the Fund	1.00% of the average annual net assets of the Fund

Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to selling and marketing services has been excluded. This amendment was effective immediately upon its release on April 10, 2025, except where a later date was explicitly approved by the SECP.

9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2025 ----- (Rupees in '000) -----	2024
	Remuneration payable	9.1	3,534	1,959
	Sindh Sales Tax payable on remuneration of the Trustee	9.2	530	255
			<u>4,064</u>	<u>2,214</u>

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

Net assets (Rs.)	Fee
- Up to Rs. 1,000 million	0.20% per annum of net assets.
- On exceeding Rs. 1,000 million	Rs. 2 million plus 0.10% per annum of net assets on amount exceeding Rs. 1,000 million.

- 9.2 Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of the Trustee has been enhanced from the rate of 13% to 15% (June 30, 2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2025 ----- (Rupees in '000) -----	2024
	Fee payable	10.1	<u>3,287</u>	<u>1,805</u>

- 10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.095% per annum (2024: 0.095%) of the daily net assets during the year. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

11	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2025 ----- (Rupees in '000) -----	2024
	Auditors' remuneration payable		903	769
	Shariah advisory fee payable		4,747	3,658
	Charity payable	11.1	86,502	47,142
	Brokerage payable		21,173	7,317
	Capital gain tax payable		24,560	13,947
	Zakat payable		168	141
	Withholding tax payable		21,452	267,531
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	11.2	32,607	32,607
	Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	11.2	231,867	231,867
	Other payable		928	96
			<u>424,907</u>	<u>605,075</u>

- 11.1 According to the instructions of the Shariah Advisor, income earned by the Fund from prohibited sources should be donated to charitable purposes.

During the year ended June 30, 2025, Non-Shariah Compliant income amounting to Rs. 89.353 million (2024: Rs. 41.987 million) was charged as an expense in the books of the Fund, and Rs. 53.907 million was disbursed to the following charitable welfare organisations respectively:

S. No.	Charitable Organisations	Amount (Rupees in '000)
1	The Patients behbud Society for AKUH	8,000
2	Indus Hospital & Health Network	7,000
3	Baitussalam Welfare Trust	6,000
4	Al-Khidmat Foundation Pakistan	6,000
5	Alamgir Welfare Trust International	6,000
6	ChildLife Foundation	5,000
7	Hira Foundation School	5,000
8	Cancer Foundation	3,000
9	The Hunar Foundation	1,762
10	Patients Welfare Association	1,500
11	Molana Tariq Jamil Foundation	1,000
12	Pakistan Childrens Heart Foundation	1,000
13	Charity Right Welfare Association of Pakistan	1,000
14	Omair Sana Foundation	1,000
15	Afzaal Memorial Thalassemia Foundation	642
16	Molana Tariq Jamil Foundation	3
		53,907

- 11.2 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16% on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration made was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013, a constitutional petition was filed with the Honourable 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 and the related Sindh Sales Tax made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 264.474 million (2024: Rs. 264.474 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED and related Sindh Sales Tax not been made, the Net Asset Value of the Fund at at June 30, 2025 would have been higher by Re. 0.78 (2024: Re. 0.94) per unit.

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2025 and June 30, 2024.

13 AUDITORS' REMUNERATION	2025 ----- (Rupees in '000) -----	2024 -----
Annual audit fee	700	622
Fee for half yearly review of condensed interim financial statements	300	217
Fee for other certifications	80	50
Out of pocket expenses and Sindh Sales Tax	173	203
	1,253	1,092

14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2025 is 4.22% (2024: 3.85%) which includes 0.6% (2024: 0.39%) representing government levies on the Fund such as Sales Taxes, fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Equity Scheme'.

During the year ended June 30, 2025, the SECP, vide S.R.O. 600(1)/2025 dated April 10, 2025, has removed the TER limit with effect from July 1, 2025. The TER limit, applicable previously, has been replaced with the management fee cap which has been disclosed in note 8.1 of these financial statements.

15 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2025 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

16 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 16.1** Connected persons / related parties 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, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 16.2** Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 16.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations.
- 16.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 16.5** Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 16.6** The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

Balances as at year end	2025	2024
	----- (Rupees in '000) -----	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	17,728	6,244
Sindh Sales Tax payable on remuneration of the Management Company	2,658	812
Selling and marketing expenses payable	-	32,593
Sales load payable	1,998	1,652
Sindh Sales Tax on sales load payable	300	215
Investment of 13,858,332 units (2024: 1,321,009 units)	1,787,805	107,882

Balances as at year end

	2025 ———— (Rupees in '000) ————	2024 ———— (Rupees in '000) ————
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	3,534	1,959
Sindh Sales Tax payable on remuneration of the Trustee	530	255
Security deposit	100	100
Investment of 997,633 units (2024: 988,771 units)	128,700	80,749
Meezan Bank Limited		
Balances with bank	290,424	438,801
Profit receivable on savings account	227	690
Advance against IBFT redemptions	30,000	30,000
Sales load payable	960	327
Sindh Sales Tax on sales load payable	144	43
Shariah advisory fee payable	4,747	3,658
Investment in 12,745,292 shares (2024: 6,796,694 shares)	4,232,074	1,627,061
Investment of 12,509,602 units (2024: 12,483,115 units)	1,613,811	1,019,450
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Investment of 222,536 units (2024: 220,384 units)	28,708	17,998
Engro Fertilizers Limited*		
Investment in nil shares (2024: 591,372 shares)	-	98,298
Generations School (Private) Limited		
Investment of 1,523,433 units (June 30, 2024: 1,510,847 units)	196,532	123,385
Habbah Educational Trust		
Investment of 997,439 units (June 30, 2024: Nil units)	128,675	-
National Clearing Company of Pakistan Limited		
Security deposit	2,500	2,500
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Investment of 1,101,739 units (2024: 801,730 units)	142,131	65,474
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Investment of 564,298 units (2024: 428,353 units)	72,798	34,982
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Investment of 181,305 units (2024: 136,135 units)	23,389	11,118
Meezan Strategic Allocation Fund - MSAP - I		
Investment of nil units (2024: 79,372 units)	-	6,482
Meezan Strategic Allocation Fund - MSAP - II		
Investment of nil units (2024: 73,728 units)	-	6,021
Meezan Strategic Allocation Fund - MSAP - III		
Investment of nil units (2024: 6,940 units)	-	567
Meezan Strategic Allocation Fund - MSAP - V		
Investment of nil units (2024: 27,325 units)	-	2,232
Directors and executives of the Management Company		
Investment of 13,430,311 units (2024: 13,325,114 units)	1,732,588	1,088,213
Unit holders holding 10% or more units of the Fund		
Investment of 36,932,396 units (2024: 69,924,660 units)	4,764,493	5,710,488

Transactions during the year

	2025	2024
	----- (Rupees in '000) -----	
Al Meezan Investment Management Limited - Management Company		
Remuneration of the Management Company	825,476	398,251
Sindh Sales Tax on remuneration of the Management Company	123,821	51,773
Allocated expenses	23,686	12,080
Sindh Sales Tax on Allocated expenses	3,553	-
Selling and marketing expenses	190,928	171,136
Sindh Sales Tax on Selling and marketing expenses	28,639	-
Units issued: 17,949,216 units (2024: 2,773,631 units)	2,068,954	214,966
Units redeemed: 5,411,893 units (2024: 2,833,907 units)	650,000	215,000
Dividend paid	2,900	984
Refund of capital	10,853	13,982
Units issued to unitholders on behalf of the Management Company	64,266	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	35,876	20,915
Sindh Sales Tax on remuneration of the Trustee	5,381	2,719
CDS charges	2,141	842
Units issued: 8,862 units (2024: 136,805 units)	1,167	12,860
Units redeemed: Nil units (2024: 1,273,776 units)	-	100,000
Dividend paid	991	11,265
Refund of capital	-	156
Meezan Bank Limited		
Profit on savings account	4,494	6,239
Shares purchased: 11,826,670 shares (2024: 1,264,998 shares)	2,786,639	241,619
Shares sold: 5,878,072 shares (2024: 5,685,734 shares)	1,404,164	919,795
Shariah advisory fee	3,506	2,568
Dividend income	269,007	201,201
Units issued: 26,487 units (2024: 62,756 units)	2,125	5,658
Units redeemed: Nil units (2024: 54,690 units)	-	5,000
Dividend paid	12,510	163,195
Refund of capital	-	658
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Units issued: 2,152 units (2024: 30,547 units)	253	2,493
Dividend paid	221	2,493
Engro Fertilizers Limited *		
Shares purchased: 4,660,203 shares (2024: 1,925,432 shares)	792,829	173,902
Shares sold: 200,000 shares (2024: 2,998,880 shares)	39,225	309,936
Dividend income	55,040	29,083
National Clearing Company of Pakistan Limited		
NCCPL charges	3,429	1,523
Generations School (Private) Limited		
Units issued: 12,586 units (2024: Nil units)	1,706	-
Dividend Paid	1,513	-
Habbah Educational Trust		
Units issued: 9,644 units (2024: Nil units)	1,135	-
Dividend Paid	990	-

Transactions during the year

Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan

Units issued: 2,030,565 units (2024: 559,742 units)
 Units redeemed: 1,730,556 units (2024: 631,372 units)
 Dividend paid
 Refund of capital

2025	2024
(Rupees in '000)	
239,540	41,021
210,074	43,845
-	6,650
1,093	2,421

Meezan Financial Planning Fund of Funds - Moderate Allocation Plan

Units issued: 960,035 units (2024: 144,920 units)
 Units redeemed: 824,090 units (2024: 278,924 units)
 Dividend paid
 Refund of capital

115,339	11,146
100,596	21,307
-	4,317
560	530

Meezan Financial Planning Fund of Funds - Conservative Allocation Plan

Units issued: 402,982 units (2024: 158,937 units)
 Units redeemed: 357,813 units (2024: 291,730 units)
 Dividend paid
 Refund of capital

46,731	13,315
43,186	23,739
-	379
180	1,161

Meezan Strategic Allocation Fund - MSAP - I

Units issued: 2,253 units (2024: 11,002 units)
 Units redeemed: 81,625 units (2024: 41,453 units)
 Dividend paid

181	898
9,211	2,500
-	898

Meezan Strategic Allocation Fund - MSAP - II

Units issued: 3,411 units (2024: 107,230 units)
 Units redeemed: 77,140 units (2024: 176,732 units)
 Dividend paid
 Refund of capital

274	6,834
8,397	11,500
-	687
-	147

Meezan Strategic Allocation Fund - MSAP - III

Units issued: 1,849 units (2024: 962 units)
 Units redeemed: 8,789 units (2024: 191,462 units)
 Dividend paid

148	79
992	12,000
-	79

Meezan Strategic Allocation Fund - MSAP - IV

Units issued: 19 units (2024: Nil units)
 Units redeemed: 19 units (2024: Nil units)

2	-
2	-

Meezan Strategic Allocation Fund - MSAP - V

Units issued: 71 units (2024: 3,787 units)
 Units redeemed: 27,396 units (2024: 23,391 units)
 Dividend paid

6	309
3,092	1,500
-	309

Directors and executives of the Management Company

Units issued: 2,302,216 units (2024: 4,929,189 units)
 Units redeemed: 2,208,030 units (2024: 1,321,852 units)
 Dividend paid
 Refund of capital

242,163	390,116
228,862	105,574
13,065	150,229
279	3,654

Unit holders holding 10% or more units of the Fund

Units Issued: 357,103 units (2024: 9,692,122 units)
 Dividend paid

42,009	791,124
36,642	791,124

* Current year balance has not been presented as the person was not classified as a related party / connected person of the Fund with effect from March 24, 2025. However, transactions with this related party till this date have been accordingly disclosed.

17 FINANCIAL INSTRUMENTS BY CATEGORY

As at June 30, 2025			
At amortised cost	At fair value through profit or loss	Total	
(Rupees in '000)			
Financial assets			
Balances with banks	896,859	-	896,859
Investments	-	43,014,926	43,014,926
Receivable against conversion of units	741,741	-	741,741
Dividend receivable	14,775	-	14,775
Advances, deposits and profit receivable	37,977	-	37,977
1,691,352	43,014,926		44,706,278
Financial liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	22,684	-	22,684
Payable to Central Depository Company of Pakistan Limited - Trustee	4,064	-	4,064
Payable against redemption and conversion of units	447,366	-	447,366
Payable to Meezan Bank Limited	1,104	-	1,104
Payable against purchase of investment	117,378	-	117,378
Dividend payable	-	-	-
Accrued expenses and other liabilities	114,253	-	114,253
706,849	-		706,849

As at June 30, 2024			
At amortised cost	At fair value through profit or loss	Total	
(Rupees in '000)			
Financial assets			
Balances with banks	670,802	-	670,802
Investments	-	23,351,025	23,351,025
Receivable against sale of investments	67,741	-	67,741
Receivable against conversion of units	50,000	-	50,000
Dividend receivable	12,518	-	12,518
Advances, deposits and profit receivable	43,479	-	43,479
844,540	23,351,025		24,195,565
Financial liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	41,516	-	41,516
Payable to Central Depository Company of Pakistan Limited - Trustee	2,214	-	2,214
Payable against redemption and conversion of units	56,780	-	56,780
Payable to Meezan Bank Limited	370	-	370
Dividend payable	392,792	-	392,792
Accrued expenses and other liabilities	58,982	-	58,982
552,654	-		552,654

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

18.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee and regulations laid down by the SECP.

Market risk comprises of three types of risks: profit rate risk, currency risk, and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2025, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income / (loss) for the year and net assets of the Fund would have been higher / lower by Rs. 8.869 million (2024: Rs. 6.638 million).

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2025 can be determined as follows:

As at June 30, 2025						
Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
%	(Rupees in '000)					
Financial assets						
Balances with banks	3.00% - 11.00%	886,883	-	-	9,976	896,859
Investments		-	-	-	43,014,926	43,014,926
Receivable against conversion of units		-	-	-	741,741	741,741
Dividend receivable		-	-	-	14,775	14,775
Advances, deposits and profit receivable		-	-	-	37,977	37,977
		886,883			43,819,395	44,706,278
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	22,684	22,684
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	4,064	4,064
Payable to Meezan Bank Limited		-	-	-	1,104	1,104
Payable against redemption and conversion of units		-	-	-	447,366	447,366
Payable against purchase of investment		-	-	-	117,378	117,378
Dividend payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	114,253	114,253
		-	-	-	706,849	706,849
On-balance sheet gap (a)		886,883			43,112,546	43,999,429
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a + b)		886,883	-	-		
Cumulative profit rate sensitivity gap		886,883	886,883	886,883		

As at June 30, 2024						
Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
(%)	(Rupees in '000)					
Financial assets						
Balances with banks	6.75% - 19.82%	663,816	-	-	6,986	670,802
Investments		-	-	-	23,351,025	23,351,025
Receivable against sale of investments - net		-	-	-	67,741	67,741
Receivable against conversion of units		-	-	-	50,000	50,000
Dividend receivable		-	-	-	12,518	12,518
Advances, deposits and profit receivable		-	-	-	43,479	43,479
		663,816	-	-	23,531,749	24,195,565
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	41,516	41,516
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	2,214	2,214
Payable to Meezan Bank Limited		-	-	-	370	370
Payable against redemption and conversion of units		-	-	-	56,780	56,780
Dividend payable		-	-	-	392,792	392,792
Accrued expenses and other liabilities		-	-	-	58,982	58,982
		-	-	-	552,654	552,654
On-balance sheet gap (a)		663,816	-	-	22,979,095	23,642,911
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a + b)		663,816	-	-		
Cumulative profit rate sensitivity gap		663,816	663,816	663,816		

(ii) Currency risk

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

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk on investments held by the Fund classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed. The NBFC Regulations also limit individual equity securities to no more than 15% of net assets and issued capital of the investee company and sector exposure limit to 35% of the net assets or index weight, whichever is higher, subject to maximum of 40%.

In case of 1% increase / decrease in KMI All Share Index on June 30, 2025, with all other variables held constant, the total comprehensive income / (loss) of the Fund for the year would increase / decrease by Rs. 430.149 million (2024: Rs. 233.510 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as 'financial assets at fair value through profit or loss'.

The analysis is based on the assumption that equity index had increased / decreased by 1% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI All Share Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI All Share Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI All Share Index.

18.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemption requests during the year ended June 30, 2025.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month:

As at June 30, 2025						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	896,859	-	-	-	-	896,859
Investments	-	-	-	-	43,014,926	43,014,926
Receivable against conversion of units	741,741	-	-	-	-	741,741
Dividend receivable	14,775	-	-	-	-	14,775
Advances, deposits and profit receivable	5,377	-	-	-	32,600	37,977
	1,658,752	-	-	-	43,047,526	44,706,278
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	22,684	-	-	-	-	22,684
Payable to Central Depository Company of Pakistan Limited - Trustee	4,064	-	-	-	-	4,064
Payable to Meezan Bank Limited	1,104	-	-	-	-	1,104
Payable against redemption and conversion of units	447,366	-	-	-	-	447,366
Payable against purchase of investment	117,378	-	-	-	-	117,378
Dividend payable	-	-	-	-	-	-
Accrued expenses and other liabilities	107,675	1,831	4,747	-	-	114,253
	700,271	1,831	4,747	-	-	706,849
Net financial assets / (liabilities)	958,481	(1,831)	-	-	43,047,526	43,999,429

As at June 30, 2024						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	670,802	-	-	-	-	670,802
Investments	-	-	-	-	23,351,025	23,351,025
Receivable against sale of investments - net	67,741	-	-	-	-	67,741
Receivable against conversion of units	50,000	-	-	-	-	50,000
Dividend receivable	12,518	-	-	-	-	12,518
Advances, deposits and profit receivable	10,879	-	-	-	32,600	43,479
	811,940	-	-	-	23,383,625	24,195,565
Financial liabilities						
Payable to AI Meezan Investment Management Limited - Management Company	41,516	-	-	-	-	41,516
Payable to Central Depository Company of Pakistan Limited - Trustee	2,214	-	-	-	-	2,214
Payable to Meezan Bank Limited	370	-	-	-	-	370
Payable against redemption and conversion of units	56,780	-	-	-	-	56,780
Dividend payable	392,792	-	-	-	-	392,792
Accrued expenses and other liabilities	54,555	769	3,658	-	-	58,982
	548,227	769	3,658	-	-	552,654
Net financial assets / (liabilities)	263,713	(769)	-	-	23,383,625	23,642,911

18.3 Credit risk

18.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arises from deposits with banks and financial institutions, profit receivable on bank deposits, dividend receivable, receivable against conversion of units and receivable against sale of investments.

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the investment manager monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The table below analyses the Fund's maximum exposure to credit risk:

	2025		2024	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
Balances with banks	896,859	896,859	670,802	670,802
Investments	43,014,926	-	23,351,025	-
Receivable against sale of investments - net	-	-	67,741	67,741
Receivable against conversion of units	741,741	741,741	50,000	50,000
Dividend receivable	14,775	14,775	12,518	12,518
Advances, deposits and profit receivable	163,589	37,977	43,479	43,479
	<u>44,831,890</u>	<u>1,691,352</u>	<u>24,195,565</u>	<u>844,540</u>

(Rupees in '000)

The maximum exposure to credit risk before any credit enhancement as at June 30, 2025 is the carrying amount of the financial assets. Investment in equity securities and receivable against withholding tax on bonus shares, however, are not exposed to credit risk and have been excluded from the above analysis.

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

18.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and related profit receivable thereon, dividend receivable and receivable against conversion of units and sale of investments. The credit rating profile of balances with banks is as follows:

Rating	% of financial assets exposed to credit risk	
	2025	2024
AAA	79.06%	76.93%
AA+	20.76%	9.12%
AA	0.03%	1.40%
AA-	0.15%	0.84%
A+	0.00%	11.71%
	<u>100.00%</u>	<u>100.00%</u>

18.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2025 and June 30, 2024 are unsecured and are not impaired.

19 FAIR VALUE MEASUREMENT

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

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

Financial assets which are tradeable 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.

19.1 Fair value hierarchy

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

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

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

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

As at June 30, 2025 and June 30, 2024, the Fund held the following financial instruments measured at fair value:

ASSETS	2025			
	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'	43,014,926	-	-	43,014,926

2024			
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'

23,351,025	-	-	23,351,025
------------	---	---	------------

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

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

There were no transfers between levels during the year.

20 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

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

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

21 UNIT HOLDING PATTERN OF THE FUND

Category	2025			2024		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total (%)	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total (%)
Individuals	32,263	16,806,192	38.36%	20,019	7,853,589	34.01%
Associated Companies /						
Directors	11	5,298,459	12.09%	14	2,291,363	9.92%
Insurance Companies	6	5,821,876	13.29%	5	2,173,617	9.41%
Banks and DFIs	1	321	0.00%	-	-	0.00%
Retirement Funds	111	12,221,369	27.90%	44	7,956,412	34.45%
Public Limited Companies	8	130,329	0.30%	5	81,428	0.35%
Others	140	3,532,554	8.06%	108	2,738,604	11.86%
	32,540	43,811,100	100.00%	20,195	23,095,013	100.00%

22 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2025		2024	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Akik Capital (Private) Limited	11.35%	Sherman Securities (Private) Limited	8.44%
Foundation Securities (Private) Limited	8.71%	Alfalah CLSA Securities (Private) Limited	7.89%
Topline Securities Limited	8.27%	BMA Capital Management Limited	7.22%
BMA Capital Management Limited	7.74%	Akik Capital (Private) Limited	7.08%
Arif Habib Limited	7.44%	Arif Habib Limited	6.74%
JS Global Capital Limited	6.38%	Topline Securities Limited	6.50%
AKD Securities Limited	6.00%	EFG Hermes Pakistan Limited	5.30%
Alfalah CLSA Securities (Private) Limited	5.58%	JS Global Capital Limited	5.16%
Ismail Iqbal Securities (Private) Limited	5.27%	Ismail Iqbal Securities (Private) Limited	4.76%
Sherman Securities (Private) Limited	5.08%	Foundation Securities (Private) Limited	4.75%

23 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Name	Designation	Qualifications	Overall experience
Mr. Imtiaz Gadar, CFA	Chief Executive Officer	CFA / MBA	Twenty Two years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Twenty Nine years
Mr. Ahmed Hassan	Head of Equity	CFA / MBA	Eighteen years
Ms. Amreen Soorani	Head of Research	FCCA	Fifteen years
Mr. Faizan Saleem	Head of Fixed Income	CFA level II / MBA	Eighteen years
Mr. Asif Imtiaz	VP Investments	CFA / MBA	Seventeen years
Mr. Akhtar Munir	Head of Risk Management	CFA / FRM, ACCA, FCMA & MBA	Twelve years
Mr. Ali Khan	Head of Product Development	CFA / FRM / MBA	Sixteen years

23.2 The Fund manager of the Fund is Mr. Muhammad Asad. The Fund Manager is not managing any other fund.

23.3 As required under Regulation 60A of the NBFC Regulations, 2008, in order to align the interest of key employees with the unitholders, the Management Company has implemented the Senior Executive Bonus Incentive Scheme (SEBIS) that allows eligible employees of the Management Company to receive a portion of their approved performance bonus each year in the form of SEBIS units. At the end of each reporting period, the outstanding units are revalued based on the current break-up value of the Management Company's shares. As at June 30, 2025, the Management Company has invested in 101,854 units of the Fund on behalf of key employees under the SEBIS. The return of the Fund on this investment is one of the contributors to the break-up value of the aforementioned SEBIS units offered by the Management Company.

24 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of Directors	Designation	Meeting held on				
		August 19, 2024	September 27, 2024	October 10, 2024	February 07, 2025	April 18, 2025
Mr. Irfan Siddiqui	Chairman	Yes	Yes	Yes	Yes	Yes
Mr. Ahmed Iqbal Rajani*	Non-Executive	Yes	Yes	Yes	N/A	N/A
Ms. Ayesha Umer*	Non-Executive	N/A	N/A	N/A	Yes	Yes
Ms. Danish Zuberi	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Feroz Rizvi	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Furquan Kidwai	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Imtiaz Gadar**	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes
Mr. Saad Ur Rahman Khan	Non-Executive	Yes	Yes	Yes	Yes	Yes
Ms. Shazia Khurram	Non-Executive	Yes	Yes	No	Yes	Yes
Syed Amir Ali	Non-Executive	Yes	Yes	Yes	Yes	Yes
Syed Imran Ali Shah***	Non-Executive	N/A	Yes	Yes	Yes	Yes
Mr. Tariq Mairaj***	Non-Executive	Yes	N/A	N/A	N/A	N/A

* Mr. Ahmed Iqbal Rajani resigned from the Board on January 13, 2025, and Ms. Ayesha Umer was subsequently appointed on February 3, 2025.

** Mr. Imtiaz Gadar was appointed as Chief Executive Officer on August 1, 2024.

*** Mr. Tariq Mairaj resigned from the Board on September 10, 2024, and Syed Imran Ali Shah was subsequently appointed on September 18, 2024.

25 GENERAL

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

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 18, 2025 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

PERFORMANCE TABLE
MEEZAN ISLAMIC FUND

	2025	2024	2023
Net assets (Rs. '000) (ex-distribution)	43,811,100	23,095,013	17,154,806
Net assets value / redemption price per unit as at June 30 (Rs.) (ex-distribution)	129.0058	81.6663	54.8025
Offer price per unit as at June 30, (Rs.) (ex-distribution)	131.9729	83.5119	56.0410
Highest offer price per unit (Rs.)	132.3140	97.4785	60.8174
Lowest offer price per unit (Rs.)	79.7310	56.0315	52.1186
Highest redemption price per unit (Rs.)	129.3392	95.3242	59.4734
Lowest redemption price per unit (Rs.)	77.9385	54.7932	50.9668
Distribution (%)			
Interim	2.00	26.27	-
Final	-	-	-
Date of distribution			
Interim	27-Jun-25	28-Jun-24	-
Final	-	-	-
Income distribution (Rupees in '000)	241,950	2,861,803	-
Growth distribution (Rupees in '000)			
Total return (%)	59.22	73.00	(2.54)

	One Year	Two Years	Three Years
Average annual return as at June 30, 2025 (%)	59.22%	65.97%	38.98%

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

UNIVERSE OF BALANCED PROMISE

Al Meezan Mutual Fund represents the horizon of prudent opportunity by combining capital growth with dividend income.



AL MEEZAN MUTUAL FUND

The investment objective of the Fund is to optimize the total investment returns, both capital gains and dividend income, through prudent investment management.

FUND INFORMATION



Al Meezan
Mutual Fund

MANAGEMENT COMPANY

Al Meezan Investment Management Limited

Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal
Karachi 74400, Pakistan.

Phone (+9221) 35630722-6, 111-MEEZAN

Fax: (+9221) 35676143, 35630808

Website: www.almeezangroup.com

E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Irfan Siddiqui	Chairman
Ms. Ayesha Umer	Non-Executive Nominee Director- PKIC
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Mr. Imtiaz Gadar	Chief Executive Officer
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Syed Amir Ali	Non-Executive Nominee Director- MBL
Syed Imran Ali Shah	Non-Executive Nominee Director- MBL

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Syed Haseeb Ahmed Shah

BOARD AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Ms. Ayesha Umer	Member
Syed Imran Ali Shah	Member

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

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

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Imtiaz Gadar	Member
Mr. Faiz Ur Rehman	Subject Matter Expert

TRUSTEE

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

AUDITORS

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

SHARIAH AUDITORS

M/s. BDO Ebrahim & Co.
Chartered Accountants
2nd Floor, Block C, Lakson Square
Building No. 1, Sarwar Shaheed
Road Karachi -742000

LEGAL ADVISER

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

SHARIAH ADVISER

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

TRANSFER AGENT

Al Meezan Investment Management Limited

BANKERS TO THE FUND

1. Allied Bank Limited
2. Al Baraka Bank Pakistan Limited
3. Askari Bank Limited - Islamic Banking
4. Bank Alfalah Limited
5. Bank Islami Pakistan Limited
6. Dubai Islamic Bank Pakistan Limited
7. Faysal Bank Limited - Islamic Banking
8. Habib Metropolitan Bank Limited - Islamic Banking
9. MCB Islamic Bank Limited
10. Meezan Bank Limited
11. National Bank of Pakistan - Islamic Banking
12. Sindh Bank Limited
13. UBL Ameen - Islamic Banking



REPORT OF THE FUND MANAGER Al Meezan Mutual Fund (AMMF)

Type of Fund

Open end equity fund

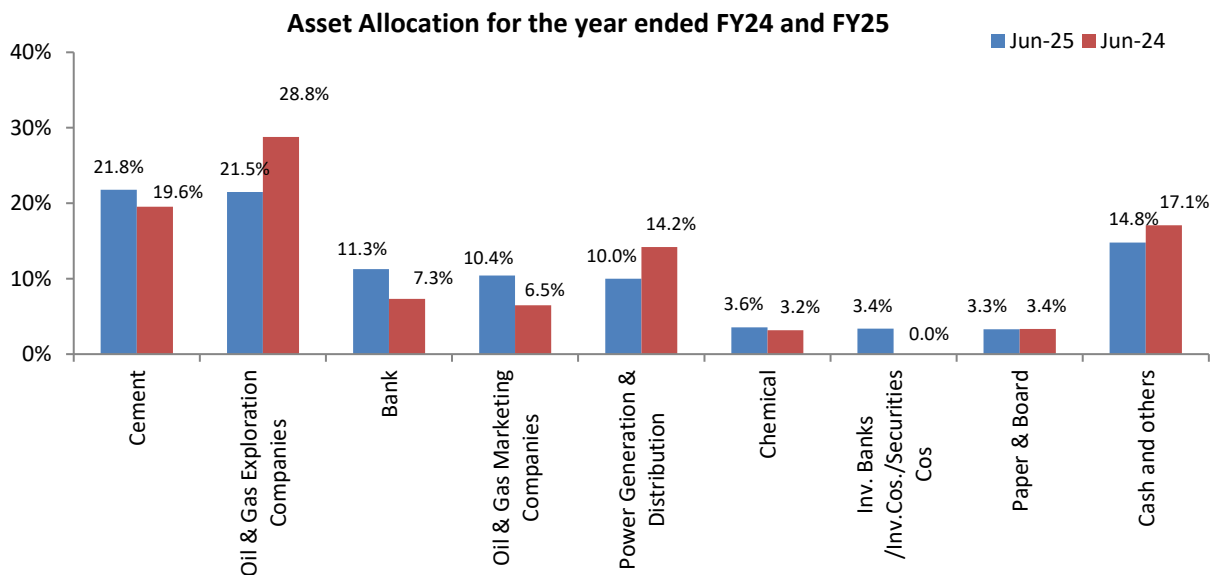
Objective

The objective of AMMF is to provide maximum total return to the shareholders by investing in “Shariah compliant” equity avenues for the given level of risk, while abiding by the Regulations and any other prevailing rules and regulations.

Strategy, Investment Policy and Asset Allocation

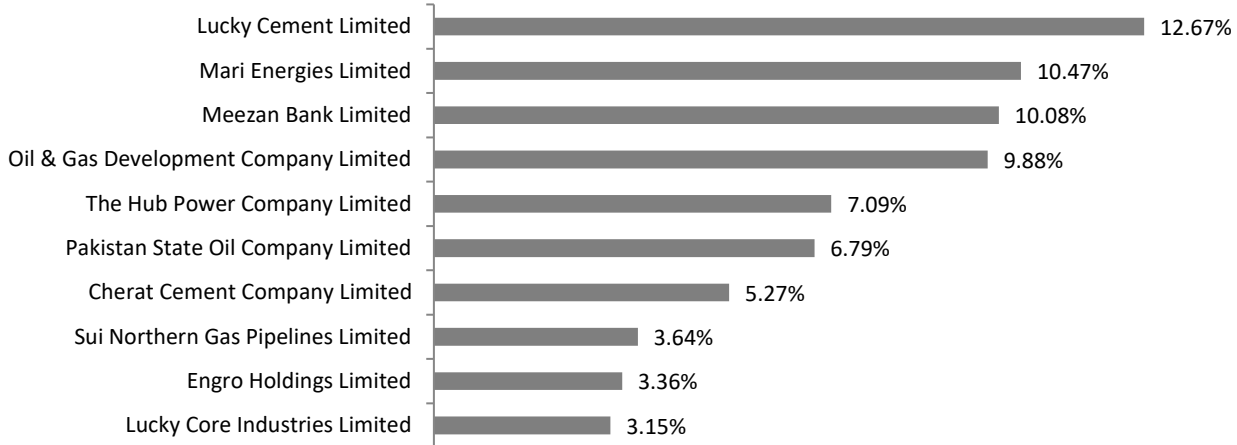
The performance of AMMF is directly linked to the performance of the equity market. The fund manager, Al Meezan Investment Management Limited, actively manages the fund with an aim to provide maximum risk adjusted total return to the investors. To control risk, the exposure in growth stocks is balanced against that of high dividend stocks. Moreover, the fund manager strives to reduce equity exposure in times when the market is trading above valuations while increasing equity exposure near troughs.

The fund began the year with an equity exposure of 96.05% and maintained an average exposure of approximately 95.29% throughout the year, closing at 94.54%. Exposure to the cement sector was increased, in the wake of receding inflation and a decline in interest rates—factors that typically benefit cyclical companies. While, exposure to Oil and Gas Exploration companies was reduced due to subdued international oil prices and a stable exchange rate, prompting a reallocation of capital toward more promising cyclical sectors. In the Power Generation and Distribution sector, the Hub Power Company Ltd. (HUBC) position was reduced due to its underperformance relative to the broader market. This was largely driven by government measures aimed at curbing high capacity payments to Independent Power Producers (IPPs) through renegotiating and terminating contracts and shifting some power plants to a “take-and-pay” model in order to enhance overall energy sector efficiency. Meanwhile, the fund increased its allocation to the banking sector, particularly in Meezan Bank Ltd. (MEBL), driven by the bank’s strong deposit growth and attractive dividend yield.





Top Holdings



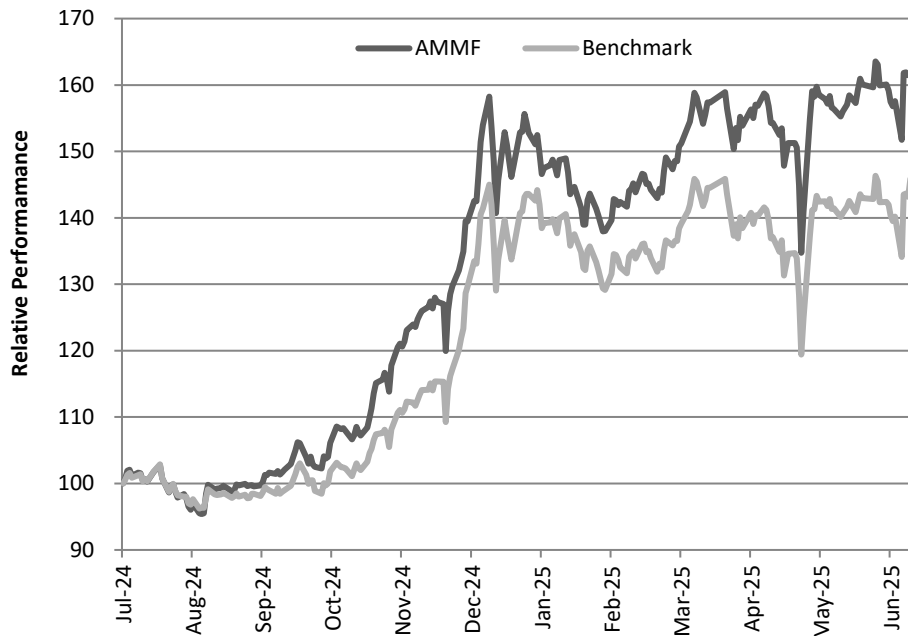
Performance Review

During FY25, Al Meezan Mutual Fund (AMMF) provided a positive return of 64.70% to its investors and the KSE Meezan Index (KMI 30) - Benchmark increased by 46.24% to close at 184,887 pts.

	AMMF (NAV)	KMI-30 (Benchmark)
Net Asset Value (NAV) as on June 30, 2024- Rs.	24.40	126,424
Net Asset Value (NAV) as on June 30, 2025- Rs.	39.88	184,886
Change (Points)	15.48	58,462
* Return During the Period	64.70%	46.24%

* The performance data has been computed NAV to NAV with dividend reinvested

AMMF posted a total income of Rs. 4,399 million in the fiscal year 2025 as compared to a total income of Rs. 2,431 million last year. Total income comprised of realized gain and unrealized gain on investments of Rs. 1,061 million and Rs. 2,909 million respectively. Dividend income contributed Rs. 409 million to income, while profit on saving accounts with banks amounted to Rs. 20 million. After accounting for expenses of Rs. 377 million, the Fund posted a net income of Rs. 4,022 million. The net assets of the Fund as at June 30, 2025 were Rs. 12,926 million as compared to Rs. 4,874 million last year depicting increase of 165%. The net asset value per unit as at June 30, 2025 was Rs. 39.8818 as compared to Rs. 24.4013 per unit as on June 30, 2024.



Charity Statement

The Fund purifies the income earned by setting aside an amount payable by the Management Company out of the income of the Trust to charitable / welfare organizations, in consultation with Shariah Advisor, representing income that is Haram. During the year ended June 30, 2025 an amount of Rs. 22 million was accrued as charity payable.

Distributions

An interim distribution in the form of cash dividend by the Fund during the fiscal year ended June 30, 2025 was Rs. 0.3000 per unit (3.00%). Total distribution made by the Fund was Rs. 58 million.

SWWF Disclosure

Not Applicable

Breakdown of unit holdings by size:

(As on June 30, 2025)

Range (Units)	No. of investors
1 - 9,999	5,676
10,000 - 49,999	2,982
50,000 - 99,999	2,499
100,000 - 499,999	1,302
500,000 and above	1,765
Total	14,224



Summary of Actual Proxy Voted by the Fund

	Resolutions	For	Against	Abstain
Number	6	6	0	0
Percentage	100%	100%	0%	0%

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL MEEZAN MUTUAL FUND

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Meezan Mutual Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2025 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 12, 2025

Dr. Muhammad Imran Usmani

Jamia Darul Uloom Karachi

Korangi Industrial Area Karachi, Pakistan
Postal Code 75180
Tel: +92 21 35123225
Fax: +92 21 5040234
Email: miu786@gmail.com

Report of the Shariah Advisor – Al Meezan Mutual Fund (AMMF)

August 12, 2025/Safar 17, 1447 AH

Alhamdulillah, the period from July 1, 2024 to June 30, 2025 was the Thirtieth. year of operations of Al Meezan Mutual Fund (the “AMMF” or the “Fund”) under management of Al Meezan Investment Management Limited (the “Al Meezan” or the “Management Company”). I, Dr. Muhammad Imran Ashraf Usmani, am the Shariah Advisor of the Fund and issuing the Shariah Advisor Report (the “Report”) in accordance with the Trust Deed of the Fund. The scope of the Report is to express an opinion on the Shariah compliance of the Fund’s activity.

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

It is also the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the Management Company’s personnel and review of various documents prepared by the Management Company to comply with the Shariah Advisor’s guidelines.

We have reviewed and approved the modes of investments of the Fund in light of Shariah requirements. On the basis of information provided by the Management Company, all operations of the Fund for the year ended June 30, 2025 have been in compliance with the Shariah principles.

In light of the above, we hereby certify that all the provisions of the scheme and investments made on account of the Fund under management of Al Meezan are Shariah-compliant and in accordance with the criteria established by us.

We further confirm that earnings realized through prohibited sources were transferred to the charity.

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

And Allah knows the best.



Dr. Muhammad Imran Ashraf Usmani
Shariah Advisor



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

TO THE BOARD OF DIRECTORS OF AL MEEZAN INVESTMENT MANAGEMENT LIMITED

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of Al Meezan Mutual Fund (the Fund) managed by Al Meezan Investment Management Limited (the Management Company) for assessing compliance of the Fund financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2025. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2025) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under;

- 1) Essentials, Regulations, Instructions and Guidelines issued by the SECP;
- 2) The rulings of Central Shariah Board as notified by the SECP;
- 3) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP;
- 4) Approvals and rulings given by the Shariah Board (SB) directives, regulations, instructions and guidelines issued in accordance with the rulings of SECP's Shariah Board.

The above criteria were evaluated, for their implications on the financial statements of the Fund for the year ended June 30, 2025.

3. Management's Responsibility for Shariah Compliance

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

4. Our Independence and Quality Management

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

The firm applies International Standard on Quality Management (ISQM) 1 “Quality Management for firms that perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2025 based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, ‘Assurance Engagements other than audits or reviews of historical financial statements’, issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depend on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund internal control. We have designed and performed necessary verification procedures on various financial arrangements, transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

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



6. Conclusion

Based on our reasonable assurance engagement we report that in our opinion, the Fund overall financial arrangements, contracts, transactions for the year ended June 30, 2025, are in compliance with the Shariah rules and principles, in all material respects.

Engagement Partner
Tariq Feroz Khan

Date: **25 SEP 2025**
Place: Karachi


BDO EBRAHIM & CO.
Chartered Accountants



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Al Meezan Mutual Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Al Meezan Mutual Fund (the Fund / Collective Investment Scheme), which comprise the statement of assets and liabilities as at June 30, 2025, and the income statement, the statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2025, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 5 and 6 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks aggregated to Rs. 382.94 million and investments of the Fund amounted to Rs. 12,537.89 million as at June 30, 2025. The existence and proper valuation of investments and existence of balances with banks for the determination of NAV of the Fund as at June 30, 2025 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none">▪ Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2025 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed;▪ Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and▪ Obtained bank reconciliation statements and tested reconciling items on a sample basis.



Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

A. F. Ferguson & Co.

Chartered Accountants

Dated: September 25, 2025

Karachi

UDIN: AR202510081npN3K0J8S



AL MEEZAN MUTUAL FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2025

	Note	2025	2024
		(Rupees in '000)	
Assets			
Balances with banks	5	382,938	165,181
Investments	6	12,537,886	4,958,699
Receivable against sale of investments		85,444	33,211
Receivable against conversion of units		230,246	-
Dividend receivable		2,402	2,053
Deposits and other receivable	7	22,780	3,740
Total assets		13,261,696	5,162,884
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	8	8,801	9,373
Payable to Central Depository Company of Pakistan Limited - Trustee	9	1,263	542
Payable to the Securities and Exchange Commission of Pakistan	10	966	383
Payable to Meezan Bank Limited		1,452	-
Payable against conversion and redemption of units		237,305	67,472
Dividend payable		5,704	123,057
Accrued expenses and other liabilities	11	80,352	87,607
Total liabilities		335,843	288,434
Net assets		12,925,853	4,874,450
Unit holders' fund (as per statement attached)		12,925,853	4,874,450
Contingencies and commitments	12		
		(Number of units)	
Number of units in issue		324,103,932	199,762,285
		(Rupees)	
Net asset value per unit		39.8818	24.4013

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



AL MEEZAN MUTUAL FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025

Note	2025	2024
	(Rupees in '000)	
Income		
Dividend income	408,749	283,521
Profit on savings accounts with banks	19,868	17,875
Net realised gain on sale of investments	1,061,255	772,790
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2 2,909,306	1,357,199
Other income	85	-
Total income	4,399,263	2,431,385
Expenses		
Remuneration of Al Meezan Investment Management Limited - Management Company	8.1 207,436	84,894
Sindh sales tax on remuneration of the Management Company	8.2 31,115	11,036
Allocated expenses	8.3 5,745	2,466
Sindh sales tax on allocated expenses	8.2 862	-
Selling and marketing expenses	8.4 45,744	36,255
Sindh sales tax on selling and marketing	8.2 6,862	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1 9,655	5,245
Sindh sales tax on remuneration of the Trustee	9.2 1,448	682
Fee to the Securities and Exchange Commission of Pakistan	10.1 8,221	4,032
Charity expense	11.1 21,845	8,948
Auditors' remuneration	13 952	1,207
Fees and subscription	516	510
Legal and professional charges	73	-
Brokerage expense	34,947	13,553
Printing expenses	41	2
Bank and settlement charges	2,003	1,067
Total expenses	377,465	169,897
Net income for the year before taxation	4,021,798	2,261,488
Taxation	14 -	-
Net income for the year after taxation	4,021,798	2,261,488
Allocation of net income for the year		
Net income for the year after taxation	4,021,798	2,261,488
Income already paid on units redeemed	(1,023,929)	(395,301)
	2,997,869	1,866,187
Accounting income available for distribution		
- Relating to capital gains	2,997,869	1,866,187
- Excluding capital gains	-	-
	2,997,869	1,866,187

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



**AL MEEZAN MUTUAL FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025**

	2025	2024
	(Rupees in '000)	
Net income for the year after taxation	4,021,798	2,261,488
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u><u>4,021,798</u></u>	<u><u>2,261,488</u></u>

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

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

Chief Executive Officer

Chief Financial Officer

Director



AL MEEZAN MUTUAL FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2025

	2025			2024		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year	3,327,814	1,546,636	4,874,450	2,985,911	167,283	3,153,194
Issuance of 693,669,987 units (2024: 304,234,581 units)						
- Capital value (at net asset value per unit at the beginning of the year)	16,926,448	-	16,926,448	4,769,181	-	4,769,181
- Element of income	6,739,782	-	6,739,782	2,384,610	-	2,384,610
Total proceeds on issuance of units	23,666,230	-	23,666,230	7,153,791	-	7,153,791
Redemption of 569,328,341 units (2024: 305,619,930 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(13,892,352)	-	(13,892,352)	(4,790,898)	-	(4,790,898)
- Element of loss	(4,624,183)	(1,023,929)	(5,648,112)	(1,956,335)	(395,301)	(2,351,636)
Total payments on redemption of units	(18,516,535)	(1,023,929)	(19,540,464)	(6,747,233)	(395,301)	(7,142,534)
Total comprehensive income for the year	-	4,021,798	4,021,798	-	2,261,488	2,261,488
Refund of capital	(37,815)	-	(37,815)	(64,655)	-	(64,655)
Distribution during the year @ Rs 0.30 per unit declared on June 27, 2025 (2023: Rs 12.01 per unit declared on June 28, 2024)	-	(58,346)	(58,346)	-	(486,834)	(486,834)
Net income for the year less distribution	(37,815)	3,963,452	3,925,637	(64,655)	1,774,654	1,709,999
Net assets at the end of the year	8,439,694	4,486,159	12,925,853	3,327,814	1,546,636	4,874,450
Accumulated losses brought forward						
- Realised income		189,437			269,423	
- Unrealised income / (loss)		1,357,199			(102,140)	
		1,546,636			167,283	
Accounting income available for distribution						
- Relating to capital gains		2,997,869			1,866,187	
- Excluding capital gains		-			-	
		2,997,869			1,866,187	
Distribution during the year @ Rs 0.30 per unit declared on June 27, 2025 (2023: Rs 12.01 per unit declared on June 28, 2024)		(58,346)			(486,834)	
Undistributed income carried forward		4,486,159			1,546,636	
Undistributed income carried forward						
- Realised income		1,576,853			189,437	
- Unrealised income		2,909,306			1,357,199	
		4,486,159			1,546,636	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the year			24.4013			15.6760
Net assets value per unit at the end of the year			39.8818			24.4013

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



AL MEEZAN MUTUAL FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025

Note	2025	2024
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	4,021,798	2,261,488
Adjustments for:		
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(2,909,306)	(1,357,199)
Dividend income	(408,749)	(283,521)
Profit on saving accounts with banks	(19,868)	(17,875)
	<u>683,875</u>	<u>602,893</u>
Increase in assets		
Investments - net	(4,722,114)	(520,831)
Deposits and other receivable	(19,681)	-
	<u>(4,741,795)</u>	<u>(520,831)</u>
(Increase) / decrease in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	(572)	(431)
Payable to Central Depository Company of Pakistan Limited - Trustee	721	158
Payable to the Securities and Exchange Commission of Pakistan	583	(385)
Payable to Meezan Bank Limited	1,452	(17)
Accrued expenses and other liabilities	(7,255)	33,025
	<u>(5,071)</u>	<u>32,350</u>
Profit received on balances with banks	20,509	17,777
Dividend received	408,400	283,136
Net cash (used in) / generated from operating activities	<u>(3,634,082)</u>	<u>415,325</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units - net of refund of capital	23,398,169	7,112,576
Payment against issuance and conversion of units	(19,370,631)	(7,115,126)
Dividend paid	(175,699)	(368,694)
Net cash generated from / (used in) financing activities	<u>3,851,839</u>	<u>(371,244)</u>
Net increase in cash and cash equivalents during the year	<u>217,757</u>	<u>44,081</u>
Cash and cash equivalents at the beginning of the year	165,181	121,100
Cash and cash equivalents at the end of the year	<u>5.3</u> <u>382,938</u>	<u>165,181</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Al Meezan Mutual Fund (the Fund) was constituted by virtue of a scheme of arrangement for conversion of Al Meezan Mutual Fund Limited (AMMFL) into an Open End Scheme under a Trust Deed executed between Al Meezan Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 17, 2011 in accordance with the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 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 Regulation) 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.

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

- 1.2 The objective of the Fund is to provide the maximum total return to the unit holders from investment in "Shariah Compliant" equity investments for the given level of risk, while abiding by the regulations and any other prevailing rules and regulations. 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. At least seventy percent of its net assets shall remain invested in listed equity securities during the year based on quarterly average investment calculated on daily basis. The remaining net assets shall be invested in cash and near cash instruments. 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.
- 1.3 The Fund is an open-end fund listed on the Pakistan Stock Exchange Limited. Units of the Fund 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 Equity Scheme.
- 1.4 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 31, 2024 (2024: 'AM1' dated December 29, 2023) and by PACRA dated May 30, 2025 (2024: 'AM1' dated June 21, 2024). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PRESENTATION

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

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

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2024. However, these do not have any material impact on the Fund's financial statements and, therefore, have not been detailed in these financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2025. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

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

3.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 4.3 and 6).

3.5 Accounting convention

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

3.6 Functional and presentation currency

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

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

4.1 Financial assets

4.1.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried at 'fair value through profit or loss'. Financial assets carried at 'fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

4.1.2 Classification and subsequent measurement

4.1.2.1 Equity instruments

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

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

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

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

4.1.2.2 Cash and cash equivalent

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

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

4.1.3 Impairment

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt securities) carried at amortised cost and FVOCI. The fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

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

4.1.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

4.1.5 Derecognition

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

4.2 Financial liabilities

4.2.1 Classification and subsequent measurement

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

4.2.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the Income Statement.

4.3 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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

4.4 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company / distributors receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, if applicable.

4.7 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

4.8 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income / (loss) is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution on redemption of units.

4.10 Revenue recognition

- Gains / (losses) arising on sale of investments are recognised on the date at which the transaction takes place;
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise;
- Profit on saving accounts with banks is recognised on a time proportion basis using the effective yield method; and
- Dividend income is recognised when the right to receive the dividend is established i.e. on the commencement of date of book closure of the investee company / institution declaring the dividend.

4.11 Treatment of Shariah non-compliant Income

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

4.12 Expenses

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

4.13 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

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 its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90% of the accounting income, the income distributed through bonus units shall not be taken into account.

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

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

	Note	2025	2024
		----- Rupees in '000 -----	----- Rupees in '000 -----
5 BALANCES WITH BANKS			
Balances with banks in:			
Savings accounts	5.1	363,230	156,171
Current accounts		19,708	9,010
		<u>382,938</u>	<u>165,181</u>
5.1 This includes a balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 3.25% (2024: 11.01%) per annum. Other savings accounts of the Fund have expected rates of profit ranging from 3.00% to 10.60% (2024: 6.50% to 21.20%) per annum.			
		2025	2024
5.3 Cash and cash equivalents		----- Rupees in '000 -----	----- Rupees in '000 -----
Balances with banks		<u>382,938</u>	<u>165,181</u>



Note 2025 2024
----- Rupees in '000 -----

6 INVESTMENTS

At fair value through profit or loss
Investment in equity securities - listed

6.1 12,537,886 4,958,699

6.1 Investments in equity securities - listed

Name of the investee company	As at July 1, 2024	Purchased during the year	Bonus shares	Sold during the year	As at June 30, 2025	Carrying value as at June 30, 2025	Market Value as at June 30, 2025	Unrealised appreciation / (diminution) as at June 30, 2025	Percentage in relation to		
									Net assets of the Fund	Market value of total investments	Paid-up capital of investee company (with face value of investment)
(Number of shares)						(Rupees in '000)		%			
Automobile Assembler											
Al-Ghazi Tractors Limited (note 6.1.1)	-	54,905	-	54,905	-	-	-	-	-	-	-
Milat Tractors Limited	-	50,000	-	50,000	-	-	-	-	-	-	-
Cable & Electrical Goods											
Pak Elektron Limited	-	250,000	-	250,000	-	-	-	-	-	-	-
Cement											
Attock Cement Pakistan Limited (note 6.1.2)	-	434,212	-	200,000	234,212	43,446	68,530	25,084	0.53	0.55	0.17
Cherat Cement Company Limited	1,146,025	1,534,000	-	273,000	2,407,025	536,179	698,759	162,580	5.41	5.57	1.24
Kohat Cement Company Limited (note 6.1.2)	723,392	65,000	-	101,004	687,388	175,770	260,768	84,988	2.02	2.08	0.37
D.G. Khan Cement Company Limited	1,350,000	4,540,000	-	4,615,000	1,075,000	136,545	177,977	41,431	1.38	1.42	0.25
Lucky Cement Limited (note 6.1.1 and 6.1.3)	445,842	4,972,987	-	689,839	4,728,990	1,027,210	1,679,927	652,717	13.00	13.40	0.32
Power Cement Limited	-	10,494,719	-	10,494,719	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	8,735	1,250,000	-	1,258,735	-	-	-	-	-	-	-
Fauji Cement Company Limited	5,014,500	7,560,000	-	12,560,000	14,500	645	648	3	0.01	0.01	-
									22.33	23.02	2.35
Chemicals											
Itehad Chemical Limited	-	75,021	-	75,021	-	-	-	-	-	-	-
Lucky Core Industries Limited	147,702	118,005	-	2,759	262,948	267,959	417,895	149,936	3.23	3.33	0.28
Sitara Chemical Industries Limited	50,900	64,904	-	7,699	108,105	40,642	53,600	12,958	0.41	0.43	0.50
Lotte Chemical Pakistan Limited	550,000	-	-	550,000	-	-	-	-	-	-	-
									3.65	3.76	0.78
Engineering											
Crescent Steel & Allied Products Limited (note 6.1.2)	-	600,000	-	145,000	455,000	49,805	52,612	2,807	0.41	0.42	0.59
International Steels Limited	-	198,493	-	198,493	-	-	-	-	-	-	-
									0.41	0.42	0.59
Commercial Banks											
Faysal Bank Limited	-	3,422,240	-	1,130,752	2,291,488	112,091	159,763	47,672	1.24	1.27	0.15
Meezan Bank Limited - a related party of the Fund	1,582,284	3,735,000	-	1,292,000	4,025,284	961,709	1,336,596	374,887	10.34	10.66	0.22
									11.58	11.93	0.37
Fertilizer											
Engro Corporation Limited (note 6.1.3 and 6.1.4)	520,768	1,235,000	-	1,755,768	-	-	-	-	-	-	-
Engro Fertilizers Limited	500	1,525,000	-	957,689	567,811	96,118	103,380	9,262	0.82	0.84	0.04
Fauji Fertilizer Bin Qasim Limited (note 6.1.5)	36,429	2,450,000	-	2,486,429	-	-	-	-	-	-	-
Fatima Fertilizer Company Limited	-	75,000	-	75,000	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited (note 6.1.5)	-	102,361	-	102,361	-	-	-	-	-	-	-
									0.82	0.84	0.04
Food and Personal Care Products											
Al-Shaheer Corporation Limited	11,539	-	-	11,539	-	-	-	-	-	-	-
Barkat Frisian Agro Limited (note 6.1.1)	-	440,261	-	400,000	40,261	733	1,649	916	0.01	0.01	0.01
National Foods Limited	-	1,000,000	-	-	1,000,000	253,855	327,230	73,375	2.53	2.61	0.43
Treet Corporation Limited	-	2,250,000	-	2,250,000	-	-	-	-	-	-	-
									2.54	2.62	0.44
Glass and Ceramics											
Ghani Glass Limited	2,531	508,466	-	2,530	508,467	18,180	23,105	4,925	0.18	0.18	0.05
Tariq Glass Industries Limited	234,827	670,175	-	50,000	855,002	158,072	214,751	56,679	1.66	1.71	0.50
									1.84	1.90	0.55



Name of the investee company	As at July 1, 2024	Purchased during the year	Bonus shares	Sold during the year	As at June 30, 2025	Carrying value as at June 30, 2025	Market Value as at June 30, 2025	Unrealised appreciation / (diminution) as at June 30, 2025	Percentage in relation to				
									Net assets of the Fund	Market value of total investments	Paid-up capital of investee company (with face value of investment)		
												%	
(Number of shares)						(Rupees in '000)							
Inv. Banks / Inv.Cos. / Securities Cos													
Engro Holdings Limited (note 6.1.4)	-	6,083,724	-	3,643,395	2,440,329	415,509	445,506	29,997	3.45	3.55	0.20		
									3.45	3.55	0.20		
Miscellaneous													
Pakistan Aluminium Beverage Cans Limited	436,029	-	-	436,029	-	-	-	-	-	-	-		
Shifa International Hospitals Limited	-	75,000	-	15,000	60,000	10,500	28,508	18,008	0.22	0.23	0.09		
									0.22	0.23	0.09		
Oil and Gas Exploration Companies													
Marl Energies Limited (formerly Marl Petroleum Company Limited) (note 6.1.6)	211,906	1,095,803	1,315,248	408,102	2,215,855	985,801	1,389,097	403,296	10.75	11.08	0.18		
Oil and Gas Development Company Limited	3,381,568	4,575,016	-	2,016,000	5,940,584	1,027,518	1,310,255	262,737	10.14	10.45	0.14		
Pakistan Petroleum Limited (note 6.1.3)	3,877,771	3,645,000	-	6,623,900	898,871	130,349	152,961	22,612	1.18	1.22	0.03		
									22.07	22.75	0.35		
Oil and Gas Marketing Companies													
Attock Petroleum Limited	3,670	60,000	-	63,670	-	-	-	-	-	-	-		
Hascol Petroleum Limited	7,946	-	-	7,946	-	-	-	-	-	-	-		
Pakistan State Oil Company Limited	1,013,913	2,523,000	-	1,152,151	2,384,762	671,424	900,319	228,895	6.97	7.18	0.51		
Sui Northern Gas Pipelines Limited	2,605,574	2,445,000	-	918,000	4,132,574	332,932	482,313	149,381	3.73	3.85	0.65		
Sui Southern Gas Company Limited	-	225,000	-	225,000	-	-	-	-	-	-	-		
									10.70	11.03	1.16		
Paper and Board													
Century Paper & Board Mills Limited	2,455,177	1,388,343	-	80,000	3,763,520	112,862	117,459	4,597	0.91	0.94	0.94		
Packages Limited	186,078	418,744	-	25,004	579,818	301,293	321,555	20,262	2.49	2.56	0.65		
									3.40	3.50	1.59		
Pharmaceuticals													
Highnoon Laboratories Limited	984	97,000	-	984	97,000	82,353	95,832	13,479	0.74	0.76	0.18		
The Searle Company Limited	22,390	2,325,000	-	2,347,390	-	-	-	-	-	-	-		
Abbott Laboratories (Pakistan) Limited	-	50,000	-	50,000	-	-	-	-	-	-	-		
Glaxosmithkline Pakistan Limited	-	341,630	-	341,630	-	-	-	-	-	-	-		
Ferozsons Laboratories Limited	-	50,000	-	50,000	-	-	-	-	-	-	-		
Citi Pharma Ltd.	-	950,000	-	950,000	-	-	-	-	-	-	-		
AGP Limited	-	400,000	-	400,000	-	-	-	-	-	-	-		
Hafeez Pakistan Limited	-	200,700	-	30,700	170,000	136,157	125,176	(10,981)	0.97	1.00	0.15		
									1.71	1.76	0.33		
Power Generation and Distribution													
K-Electric Limited (note 6.1.1)	10,308,799	66,390,388	-	3,600,000	73,099,187	361,372	383,771	22,399	2.97	3.06	0.26		
The Hub Power Company Limited	4,207,409	6,930,000	-	4,314,549	6,822,860	944,667	940,258	(4,409)	7.27	7.50	0.53		
									10.24	10.56	0.79		
Technology and Communication													
NetSol Technologies Limited	-	25,000	-	25,000	-	-	-	-	-	-	-		
Systems Limited (note 6.1.1)	678,195	2,027,908	-	652,468	2,053,635	186,334	220,026	33,692	1.70	1.75	0.14		
									1.70	1.75	0.14		
Property and Real Estate													
TPL Real Fund I	569,000	-	-	569,000	-	-	-	-	-	-	-		
									-	-	-		
Refinery													
Attock Refinery Limited	60,390	55,000	-	115,390	-	-	-	-	-	-	-		
Chengyico PK Limited	6,694,072	13,000,000	-	13,290,095	6,403,977	50,549	45,660	(4,889)	0.35	0.36	0.12		
Pakistan Refinery Limited	400,000	1,350,000	-	1,750,000	-	-	-	-	-	-	-		
									0.35	0.36	0.12		
Textile Composite													
Interloop Limited	1,299,180	-	-	1,299,180	-	-	-	-	-	-	-		
Nishat Mills Limited	-	200,000	-	200,000	-	-	-	-	-	-	-		
									-	-	-		
Total as at June 30, 2025									9,628,580	12,537,886	2,909,306	97.00	100.00
Total as at June 30, 2024									3,601,500	4,958,699	1,357,199	101.73	100.00

* Nil figures due to rounding off difference

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

Name of investee company	Nominal value per share as on June 30, 2025	Subdivision of shares during the year	Additional number of shares received on account of subdivision of shares during the year
	(Rupees)		
National Foods Limited	5.00	-	-
Al-Ghazi Tractors Limited	5.00	-	-
Lucky Cement Limited	2.00	On April 28, 2025 from Rs. 10 to Rs. 2 per share	3,709,192
Systems Limited	2.00	On June 2, 2025 from Rs. 10 to Rs. 2 per share	1,702,908
Barkat Frisian Agro Limited	2.00	-	-
K-Electric Limited	3.50	-	-

6.1.2 On June 02, 2025, Pakistan Stock Exchange (PSX) issued a notice no PSX/N-570 regarding the recomposition exercise carried out by PSX on KMI All Share Islamic Index. In the stated notice, Attock Cement Limited, Crescent Steel & Allied Products Limited and Kohat Cement Company Limited were declared as non-compliant of the Index and hence are considered to be the non-compliant investments as at June 30, 2025. However, these shares were compliant according to the KMI All Share Islamic Index at the time of investment. The Fund may retain these previously purchased shares until the next two quarters after Shariah status is updated. The Fund is required to disclose the shariah non-compliant investments in accordance with the additional disclosure requirements enacted vide SECP's S.R.O.600(I)/2025 dated April 10, 2025.

6.1.3 Investments include 220,000 shares of Lucky Cement Limited and 230,000 shares of Pakistan Petroleum Limited (2024: 202,000 shares of Engro Corporation Limited), having market value of Rs 117.292 million (2024: Rs 67.207 million) as at June 30, 2025 which have been pledged as collateral in favour of National Clearing Company Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

6.1.4 During the year, Engro Corporation Limited (ENGRO) has been merged with and into Engro Holdings Limited (ENGROH) (formerly known as Dawood Hercules Corporation Limited), upon sanction by the Honorable Islamabad High Court on July 18, 2024. In accordance with the Scheme of Arrangement, and in consideration for the merger in terms thereof, ENGROH will allot and issue ordinary shares of ENGROH to the ENGRO Shareholders (being the members of ENGRO, other than ENGROH and its nominees, if any), based on a swap ratio of 2.24407865 ENGROH Shares for each ordinary share held by them (subject to the adjustment of fractional shares), in the manner detailed in the Scheme.

As a result of the above arrangement, the Fund received 3,502,486 shares of Engro Holdings Limited (ENGROH) in lieu of 1,560,768 shares of Engro Corporation Limited (ENGRO).

6.1.5 During the year, Fauji Fertilizer Bin Qasim Limited (FFBL) has been merged with and into Fauji Fertilizer Company Limited (FFC), upon sanction by the Honorable Lahore High Court, Rawalpindi Bench on December 12, 2024. In accordance with the Scheme of Arrangement, and in consideration for the merger in terms thereof, FFCL will allot and issue ordinary shares of FFCL (FFCL Shares) to the FFBL Shareholders (being the members of FFBL, other than FFCL and its nominees, if any), based on a swap ratio of 1 (one) FFCL Share for every 4.29 ordinary shares of FFBL held by each FFBL Shareholder (subject to the adjustment of fractional shares), in the manner detailed in the Scheme.

As result of above arrangement, the Fund received 102,361 shares of Fauji Fertilizer Company Limited (FFC) in lieu of 439,132 shares of Fauji Fertilizer Bin Qasim Limited (FFBL).

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

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



During the year, Mari Energies Limited (formerly Mari Petroleum Company Limited) has withheld 130,170 shares from the bonus shares issued to the Fund. The market value of bonus shares withheld amounts to Rs. 81.602 million as at June 30, 2025.

6.2 Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	Note	2025	2024
----- Rupees in '000 -----			
Market value of investments	6.1	12,537,886	4,958,699
Carrying value of investments	6.1	<u>(9,628,580)</u>	<u>(3,601,500)</u>
		<u>2,909,306</u>	<u>1,357,199</u>

7 DEPOSITS AND OTHER RECEIVABLE

Security deposit with Central Depository Company of Pakistan Limited		238	238
Security deposit with National Clearing Company of Pakistan Limited		2,500	2,500
Profit receivable on balances with banks		361	1,002
Receivable against withholding of bonus shares	7.1	<u>19,681</u>	<u>-</u>
		<u>22,780</u>	<u>3,740</u>

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

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

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

As at June 30, 2025, the Fund has recorded an amount of Rs. 19.681 million as receivables against withholding tax on bonus shares in respect of bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares.

8 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2025	2024
----- Rupees in '000 -----			
Remuneration payable	8.1	5,235	1,325
Sindh sales tax payable on remuneration of the Management Company	8.2	785	172
Allocated expenses payable	8.3	-	-
Sales load payable		2,418	578
Sindh sales tax payable on sales load		363	76
Selling and marketing expenses payable	8.4	<u>-</u>	<u>7,222</u>
		<u>8,801</u>	<u>9,373</u>

8.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the following rates per annum of the average annual net assets of the Fund during the year ended June 30, 2025:

For the year ended June 30, 2025	
From July 01, 2024 to December 31, 2024	2.00% per annum of the average annual net assets of the Fund
From January 01, 2025 to May 18, 2025	2.50% per annum of the average annual net assets of the Fund
From May 19, 2025 to June 30, 2025	3.00% per annum of the average annual net assets of the Fund
For the year ended June 30, 2024	
From July 01, 2023 to June 30, 2024	2.00% per annum of the average annual net assets of the Fund

The remuneration is payable to the Management Company monthly in arrears.

During the year ended June 30, 2025, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, introduced the management fee cap of 3% to be calculated on a per annum basis of the average daily net assets, applicable to an "Equity Scheme". This revision is effective from July 1, 2025. As at June 30, 2025 the Fund is not subject to a management fee cap.

- 8.2 Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of Management Company has been enhanced from the rate of 13% to 15% (2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

Further, Sindh sales tax at the rate of 15% has also been levied on any reimbursable expenditure to the Management Company effective July 1, 2024 vide Sindh Finance Act, 2024.

- 8.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses for registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). The Management Company, based on its own discretion, has charged such expenses at the following rates during the year ended June 30, 2025, subject to total expense charged being lower than actual expense incurred:

For the year ended June 30, 2025	
From July 01, 2024 to December 31, 2024	0.070% per annum of the average annual net assets of the Fund
From January 01, 2025 to May 18, 2025	0.875% per annum of the average annual net assets of the Fund
From May 19, 2025 to June 30, 2025	Nil

For the year ended June 30, 2024	
From July 01, 2023 to January 31, 2024	0.150% per annum of the average annual net assets of the Fund
From February 01, 2024 to June 30, 2024	Nil

Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to registrar services, accounting, operation and valuation services has been excluded. This amendment was effective immediately upon its release on April 10, 2025, except where a later date was explicitly approved by the SECP.

The Fund in pursuance of the above requirement charged the above-mentioned expenses up to May 18, 2025.

- 8.4 In accordance with Circular 11 dated July 5, 2019 issued by the SECP with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the following rates during the year ended June 30, 2025, subject to total expense charged being lower than actual expense incurred:

For the year ended June 30, 2025	
From July 01, 2024 to August 18, 2024	0.50% per annum of the average annual net assets of the Fund
From August 19, 2024 to December 31, 2024	0.80% per annum of the average annual net assets of the Fund
From January 1, 2025 to May 18, 2025	0.55% per annum of the average annual net assets of the Fund
From May 19, 2025 to June 30, 2025	Nil

For the year ended June 30, 2024	
From July 01, 2023 to March 31, 2024	1.00% per annum of the average annual net assets of the Fund
From April 01, 2024 to June 30, 2024	0.50% per annum of the average annual net assets of the Fund

Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of selling and marketing expenses has been excluded. This amendment was effective immediately upon its release on April 10, 2025, except where a later date was explicitly approved by the SECP.

9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2025	2024
			----- Rupees in '000 -----	
	Remuneration payable	9.1	1,098	480
	Sindh sales tax payable on remuneration of the Trustee	9.2	165	62
			<u>1,263</u>	<u>542</u>

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

Net assets (Rs.)	Fee
- up to Rs 1,000 million	Rs 0.7 million or 0.2% per annum of net assets, whichever is higher.
- exceeding Rs.1,000 million	Rs 2.0 million plus 0.10% per annum of net assets exceeding Rs 1,000 million.

- 9.2 Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of the Trustee has been enhanced from the rate of 13% to 15% (2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)	Note	2025	2024
		----- Rupees in '000 -----	
Fee payable	10.1	966	383

- 10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of fee to 0.095% per annum of the daily net assets of the Fund, applicable to an "Equity Scheme". Accordingly, the Fund has charged SECP fee at the rate of 0.095% (2024: 0.095%) per annum of the daily net assets during the year. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

11 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2025	2024
		----- Rupees in '000 -----	
Auditors' remuneration payable		531	604
Brokerage payable		4,236	2,583
Withholding tax payable		3,963	31,490
Shariah advisor fee payable		298	365
Charity payable	11.1	20,748	8,920
Capital gain tax payable		9,098	2,325
Provision for Federal Excise Duty and related Sindh sales tax on remuneration of Management Company	11.2	37,524	37,524
Provision for Federal Excise Duty and related Sindh sales tax on sales load	11.2	3,732	3,732
Zakat payable		222	64
		<u>80,352</u>	<u>87,607</u>

- 11.1 According to the instructions of the Shariah Advisor, any income earned by the Fund from investments whereby portion of the investment of investee company has been made in Shariah non-compliant avenues, such proportion of income of the Fund from those investments should be given away for charitable purposes directly by the Fund. Accordingly, during the year ended June 30, 2025, Shariah non-compliant income amounting to Rs. 21.845 million (2024: Rs. 8.948 million) was charged as charity expense and Rs.10.017 million was disbursed to following charitable / welfare organisations respectively:

S. No.	Charitable Organisations	2025 Rs. in '000	Charitable Organisations	2024 Rs. in '000
1	Saylani Welfare Trust	6,000	Mariam Ali Mohammad Tabba Foundation	2,500
2	Friends of Burns Centre Patients Welfare Society	2,500	Idara Al Khair	2,000
3	Afzaal Memorial Thalessemia Foundation	420	The Hunar Foundation	3,000
4	Darus Shifa Foundation	1,000	Alamgir Welfare Trust International	2,500
5	Molana Tariq Jamil Foundation	97	Professional Education Foundation	1,000
			Molana Tariq Jamil Foundation	1,500
			Shaukat Khanum Memorial Cancer Hospital & Research Centre	50
	Total	<u>10,017</u>	Total	<u>12,550</u>

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



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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 41.256 million is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2025 would have been higher by Re. 0.13 (2024: Re. 0.21) per unit.

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2025 and June 30, 2024.

13 AUDITORS' REMUNERATION	2025	2024
	Rupees in '000	
Annual audit fee	595	694
Half yearly review fee	227	145
Fee for other certification	85	50
Out of pocket expenses and Sindh sales tax	45	318
	<u>952</u>	<u>1,207</u>

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. Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2025 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2025 is 4.36% (2024: 4.00%) which includes government levies which is 0.61% (2024: 0.41%) such as sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% (excluding govt. levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Equity Scheme'.

During the year ended June 30, 2025, the SECP, vide S.R.O. 600(I)/2025 dated April 10, 2025, has removed the TER limit with effect from July 1, 2025. The TER limit, applicable previously, has been replaced with the management fee cap which has been disclosed in note 8.1 of these financial statements.

16 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties 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, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly 10% or more of the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.



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

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

Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

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

Balances as at year end

	2025	2024
	----- Rupees in '000 -----	
Al Meezan Investment Management Limited (Management Company)		
Remuneration payable to the Management Company	5,235	1,325
Sindh sales tax payable on remuneration of the Management Company	785	172
Sales load payable	2,418	578
Sindh sales tax payable on sales load	363	76
Selling and marketing expenses payable	-	7,222
Investment of 22,637,633 units (2024: 14,654,405 units)	902,830	357,586
Central Depository Company of Pakistan Limited - CDC (Trustee)		
Security deposit	238	238
Remuneration payable to the Trustee	1,098	480
Sindh sales tax on remuneration of the Trustee	165	62
Meezan Bank Limited		
Profit receivable on saving account	60	169
Balance with bank	88,072	80,740
Sales load payable	1,263	-
Sindh sales tax on sales load	189	-
Investment in 23,030,593 units (2024: 22,984,581 units)	918,502	560,853
Investment in 4,025,284 shares (2024: 1,882,284 shares)	1,336,596	45,930
Shariah Advisor fee payable	298	365
Meezan Bank Limited - Staff Provident Fund		
Investment in 6,154 units (2024: Nil units)	245	-
Meezan Bank Limited - Staff Gratuity Fund		
Investment in 5,776 units (2024: Nil units)	230	-
MSAF - Meezan Strategic Allocation Plan - II		
Investment of nil units (2024: 6,336 units)	-	155
MSAF - Meezan Strategic Allocation Plan - III		
Investment of nil units (2024: 519,442 units)	-	12,675
MSAF - Meezan Strategic Allocation Plan - IV		
Investment of nil units (2024: 56,285 units)	-	1,373
MSAF - Meezan Strategic Allocation Plan - V		
Investment of nil units (2024: 544,657 units)	-	13,290



Balances as at year end	For the year ended June 30,	
	2025	2024
	----- Rupees in '000 -----	
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of nil units (2024: 108,045 units)	-	2,636
Pakistan Kuwait Investment Company (Private) Limited		
Investment of 16,924,439 units (2024: 16,895,690 units)	674,977	412,277
Engro Fertilizers Limited*		
Investment in Nil shares (2024: 500 shares)	-	83
National Clearing Company of Pakistan Limited		
Security deposit	2,500	2,500
Directors and executives of the Management Company		
Investment of 2,664,491 units (2024: 176,114 units)	106,265	4,297
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 497,152 units (2024: 492,484)	19,827	12,017
Unitholders holding 10% or more units of the fund		
Investment of nil units (2024: 22,984,581 units)	-	560,854
Transactions during the year	For the year ended June 30,	
	2025	2024
	----- Rupees in '000 -----	
Al Meezan Investment Management Limited (Management Company)		
Remuneration to the Management Company	207,436	84,894
Sindh sales tax on remuneration of the Management Company	31,115	11,036
Allocated expenses	5,745	2,466
Sindh sales tax on allocated expenses	862	-
Selling and marketing expenses	45,744	36,255
Sindh sales tax on selling and marketing expense	6,862	-
Issuance of 17,203,011 units (2024: 9,015,979 units)	541,884	192,763
Redemption of 9,219,783 units (2024: 12,323,921 units)	300,000	260,000
Dividend paid	4,517	31,004
Refund of capital	2,228	8,759
Units issued to unitholders on behalf of the Management Company	11,363	-
Central Depository Company of Pakistan Limited - CDC (Trustee)		
Remuneration of the Trustee	9,655	5,245
Sindh sales tax on remuneration of the Trustee	1,448	682
CDS charges	743	289
Meezan Bank Limited		
Profit on saving account	1,778	1,951
Purchase of 3,735,000 shares (2024: 465,000 shares)	888,877	72,399
Sale of 1,292,000 shares (2024: 1,004,000 shares)	305,394	163,440
Units issued: 46,012 units (2024: Nil units)	1,097	-
Dividend income	75,006	52,381
Shariah Advisor fee	485	479
Cash Dividend paid	6,909	69,151



Transactions during the year

For the year ended June 30,
2025 2024

----- Rupees in '000 -----

MSAF - Meezan Strategic Allocation Plan - I		
Units issued: 12,859 units (2024: Nil units)	307	-
Units redeemed: 12,859 units (2024: 661,800 units)	323	11,765
MSAF - Meezan Strategic Allocation Plan - II		
Units issued: 10,492 units (2024: 695 units)	250	17
Units redeemed: 16,828 units (2024: 1,594,358 units)	422	29,740
MSAF - Meezan Strategic Allocation Plan IV		
Units issued: 2,170 units (2024: 6,174 units)	52	151
Units redeemed: 58,455 units (2024: 442,186 units)	1,467	8,000
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 3,569 units (2024: 11,852 units)	85	289
Units redeemed: 111,614 units (2024: 244,776 units)	2,800	5,000
MSAF - Meezan Strategic Allocation Plan - III		
Units issued: 4,629 units (2024: 56,980 units)	110	1,391
Units redeemed: 524,071 units (2024: 450,747 units)	13,148	9,000
MSAF - Meezan Strategic Allocation Plan - V		
Units issued: 1,273 units (2024: 59,748 units)	30	1,459
Units redeemed: 545,930 units (2024: 54,865 units)	13,697	1,000
Pakistan Kuwait Investment Company (Private) Limited		
Units issued: 28,749 units (2024: Nil units)	686	-
Cash Dividend paid	5,077	50,832
Engro Fertilizers Limited*		
Purchase of 1,525,000 shares (2024: 1,862,000 shares)	258,150	229,415
Sale of 386,000 shares (2024: 1,862,000 shares)	75,809	265,776
Dividend received	12,391	283,521
National Clearing Company of Pakistan Limited		
NCCPL charges	1,224	712
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Units issued: 4,668 units (2024: Nil units)	169	-
Dividend Re-invest	148	-
KSE Meezan Index Fund		
Shares purchased under negotiated deal market (NDM) transaction (2024: Nil)	6,863	-
Directors and executives of the Management Company		
Units issued: 23,796,023 units (June 30, 2024: 3,484,189 units)	812,378	86,324
Units redeemed: 21,308,064 units (June 30, 2024: 3,629,139 units)	735,753	89,941
Dividend paid	101	215
Refund of capital	697	260

* Current year balance has not been presented as the person was not classified as a related party / connected person of the fund with effect from March 24, 2025. However, transactions with this related party till this date have been accordingly disclosed.

17 FINANCIAL INSTRUMENTS BY CATEGORY

	2025		
	At amortised cost	At fair value through profit or loss	Total
	Rupees in '000		
Financial assets			
Balances with banks	382,938	-	382,938
Investments	-	12,537,886	12,537,886
Receivable against sale of investments	85,444	-	85,444
Receivable against conversion of units	230,246	-	230,246
Dividend receivable	2,402	-	2,402
Deposits and other receivable	22,780	-	22,780
	<u>723,810</u>	<u>12,537,886</u>	<u>13,261,696</u>
Financial liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	8,801	-	8,801
Payable to the Central Depository Company of Pakistan Limited - Trustee	1,263	-	1,263
Payable to Meezan Bank Limited	1,452	-	1,452
Payable against conversion and redemption of units	237,305	-	237,305
Dividend payable	5,704	-	5,704
Accrued expenses and other liabilities	5,065	-	5,065
	<u>259,590</u>	<u>-</u>	<u>259,590</u>

	2024		
	At amortised cost	At fair value through profit or loss	Total
	Rupees in '000		
Financial assets			
Balances with banks	165,181	-	165,181
Investments	-	4,958,699	4,958,699
Receivable against sale of investments	33,211	-	33,211
Dividend receivable	2,053	-	2,053
Deposits and other receivable	3,740	-	3,740
	<u>204,185</u>	<u>4,958,699</u>	<u>5,162,884</u>
Financial liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	9,373	-	9,373
Payable to the Central Depository Company of Pakistan Limited - Trustee	542	-	542
Payable against conversion and redemption of units	67,472	-	67,472
Dividend payable	123,057	-	123,057
Accrued expenses and other liabilities	3,552	-	3,552
	<u>203,996</u>	<u>-</u>	<u>203,996</u>

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

18.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: profit risk, currency risk and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2025, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income / loss for the year and net assets of the Fund would have been higher / lower by Rs. 3.632 million (2024: Rs. 1.561 million).

The composition of the Fund's investment portfolio and KIBOR rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2025 can be determined as follows:

2025						
Effective yield / profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
Rupees in '000						
Financial assets						
Balances with banks	3.00% - 10.60%	363,230	-	-	19,708	382,938
Investments		-	-	-	12,537,886	12,537,886
Receivable against sale of investments		-	-	-	85,444	85,444
Receivable against conversion of units		-	-	-	230,246	230,246
Dividend receivable		-	-	-	2,402	2,402
Deposits and other receivable		-	-	-	22,780	22,780
		363,230	-	-	12,898,466	13,261,696
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	8,801	8,801
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	1,263	1,263
Payable to Meezan Bank Limited		-	-	-	1,452	1,452
Payable against conversion and redemption of units		-	-	-	237,305	237,305
Dividend payable		-	-	-	5,704	5,704
Accrued expenses and other liabilities		-	-	-	5,065	5,065
		-	-	-	259,590	259,590
On-balance sheet gap (a)		363,230	-	-	12,638,876	13,002,106
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		363,230	-	-		
Cumulative profit rate sensitivity gap		363,230	363,230	363,230		

2024					
Effective yield / profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		

Rupees in '000

Financial assets						
Balances with banks	6.50% - 21.20%	156,171	-	-	9,010	165,181
Investments		-	-	-	4,958,699	4,958,699
Receivable against sale of investments		-	-	-	33,211	33,211
Receivable against conversion of units		-	-	-	-	-
Dividend receivable		-	-	-	2,053	2,053
Deposits and other receivable		-	-	-	3,740	3,740
		156,171	-	-	5,006,713	5,162,884
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	9,373	9,373
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	542	542
Payable against conversion and redemption of units		-	-	-	67,472	67,472
Dividend payable		-	-	-	123,057	123,057
Accrued expenses and other liabilities		-	-	-	3,552	3,552
		-	-	-	203,996	203,996
On-balance sheet gap (a)		156,171	-	-	4,802,717	4,958,888
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		156,171	-	-		
Cumulative profit rate sensitivity gap		156,171	156,171	156,171		

(ii) Currency risk

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

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

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

In case of 1% increase / decrease in KMI All Share Index on June 30, 2025, with all other variables held constant, total income of the Fund would increase / decrease by Rs. 125.378 million (2024: Rs. 49.586 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 1% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI All Share Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI All Share Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI All Share Index.

18.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. the Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. the Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. the Fund did not withhold any redemption requests during the year.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month:

2025						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000						
Financial assets						
Balances with banks	382,938	-	-	-	-	382,938
Investments	-	-	-	-	12,537,886	12,537,886
Receivable against sale of investments	85,444	-	-	-	-	85,444
Receivable against conversion of units	230,246	-	-	-	-	230,246
Dividend receivable	2,402	-	-	-	-	2,402
Deposits and other receivable	361	-	-	-	22,419	22,780
	701,391	-	-	-	12,560,305	13,261,696
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	8,801	-	-	-	-	8,801
Payable to Central Depository Company of Pakistan Limited - Trustee	1,263	-	-	-	-	1,263
Payable to Meezan Bank Limited	1,452	-	-	-	-	1,452
Payable against conversion and redemption of units	237,305	-	-	-	-	237,305
Dividend payable	5,704	-	-	-	-	5,704
Accrued expenses and other liabilities	4,236	531	298	-	-	5,065
	258,761	531	298	-	-	259,590
Net financial assets / (liabilities)	442,630	(531)	-	-	12,560,305	13,002,106



2024						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000						
Financial assets						
Balances with banks	165,181	-	-	-	-	165,181
Investments	-	-	-	-	4,958,699	4,958,699
Receivable against sale of investments	33,211	-	-	-	-	33,211
Receivable against conversion of units	-	-	-	-	-	-
Dividend receivable	2,053	-	-	-	-	2,053
Deposits and other receivable	1,002	-	-	-	2,738	3,740
	201,447	-	-	-	4,961,437	5,162,884
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	9,373	-	-	-	-	9,373
Payable to Central Depository Company of Pakistan Limited - Trustee	542	-	-	-	-	542
Payable to Meezan Bank Limited	-	-	-	-	-	-
Payable against conversion and redemption of units	67,472	-	-	-	-	67,472
Dividend payable	123,057	-	-	-	-	123,057
Accrued expenses and other liabilities	2,583	604	365	-	-	3,552
	203,027	604	365	-	-	203,996
Net financial (liabilities) / assets	(1,580)	(604)	(365)	-	4,961,437	4,958,888

18.3 Credit risk

18.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	2025		2024	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
(Rupees in '000)				
Bank balances	382,938	382,938	165,181	165,181
Investments	12,537,886	-	4,958,699	-
Receivable against conversion of units	230,246	230,246	-	-
Dividend receivable	2,402	2,402	2,053	2,053
Receivable against sale of investments	85,444	85,444	33,211	33,211
Deposits and other receivable	22,780	22,780	3,740	3,740
	13,261,696	723,810	5,162,884	204,185

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets. Investment in equity securities, however, are not exposed to credit risk and have been excluded from the above analysis.

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

18.3.2 Credit quality of financial assets

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

Rating	% of financial assets exposed to credit risk	
	2025	2024
A+*	0.00%	0.33%
AA+	7.87%	3.55%
AAA	91.22%	96.09%
AA-	0.89%	-
AA	0.02%	0.03%
	<u>100.00%</u>	<u>100.00%</u>

*Amount is nil due to rounding off

18.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2025 and June 30, 2024 are unsecured and are not impaired.

19 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

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

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

As at June 30, 2025 and June 30, 2024, the Fund held the following financial instruments measured at fair values:

	2025		
	Level 1	Level 2	Level 3
Financial assets 'at fair value through profit or loss'	(Rupees in '000)		
Listed equity securities	12,537,886	-	-

	2024		
	Level 1	Level 2	Level 3
Financial assets 'at fair value through profit or loss'	(Rupees in '000)		
Listed equity securities	4,958,699	-	-

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

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

There were no transfers between levels during the year.

20 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

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

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

21 UNIT HOLDING PATTERN OF THE FUND

Category	2025			2024		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Individuals	14,150	5,322,332	41.18%	5,283	1,132,907	23.24%
Associated Companies and						
Directors	6	2,522,613	19.52%	10	1,372,862	28.16%
Insurance Companies	4	1,390,664	10.76%	2	303,865	6.23%
Bank / Development Financial						
Retirement Funds	25	3272113	25.31%	3	7,305	0.15%
Non Banking Finance						
Companies	-	-	0.00%	7	2,040,175	41.85%
Others	38	392,180	3.03%	19	1,607	0.03%
	<u>14,224</u>	<u>12,925,854</u>	<u>100.00%</u>	<u>5,325</u>	<u>4,874,450</u>	<u>100.00%</u>

22 LIST OF TOP 10 BROKERS BY PERCENTAGE OF COMMISSION PAID

2025		2024	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Arif Habib Securities Limited	5.38%	EFG Hermes Pakistan	7.61%
AKIK Capital (Private) Limited	4.79%	Optimus Capital Management (Private) Limited	6.31%
AKD Securities Limited	4.26%	Alfa Adhi Securities (Private) Limited	6.11%
ABA ALI HABIB Securities Limited	3.93%	Next Capital Limited	6.03%
Fawad Yusuf Securities (Private) Limited	3.45%	Taurus Securities Limited	6.01%
Alfalah Securities Limited	3.27%	JS Global Capital Limited	5.85%
EFG Hermes Pakistan	3.14%	Top Line Securities (Pvt) Limited	5.51%
Dalal Securities (Private) Limited	2.67%	Spectrum Securities (Private) Limited	4.84%
Alfa Adhi Securities (Private) Limited	2.64%	Intermarket Securities Limited	4.75%
BMA Capital Management Limited	2.12%	Dalal Securities (Private) Limited	4.58%



23 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Name	Designation	Qualification	Overall experience
Mr. Imtiaz Gadar, CFA	Chief Executive Officer	CFA / MBA	Twenty Two years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Twenty Nine years
Mr. Ahmed Hassan	Head of Equity / Fund Manager	CFA / MBA	Eighteen years
Ms. Amreen Soorani	Head of Research	FCCA	Fifteen years
Mr. Faizan Saleem	Head of Fixed Income	CFA level II / MBA	Eighteen years
Mr. Asif Imtiaz	VP Investments / Fund Manager	CFA / MBA	Seventeen years
Mr. Akhtar Munir	Head of Risk Management	CFA / MBA, ACCA, FRM, FCMA	Twelve years
Mr. Ali Khan	Head of Product Development	CFA / FRM / MBA	Sixteen years

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

- Meezan Energy Fund; and
- Meezan Tahaffuz Pension Fund.

24 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of Directors	Designation	Meeting held on				
		August 19, 2024	September 27, 2024	October 10, 2024	February 7, 2025	April 18, 2025
Mr. Irfan Siddiqui	Chairman	Yes	Yes	Yes	Yes	Yes
Mr. Ahmed Iqbal Rajani*	Non-Executive	Yes	Yes	Yes	No	No
Ms. Ayesha Umer*	Non-Executive	No	No	No	Yes	Yes
Ms. Danish Zuberi	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Feroz Rizvi	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Furquan Kidwai	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Imtiaz Gadar**	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes
Mr. Saad Ur Rahman Khan	Non-Executive	Yes	Yes	Yes	Yes	Yes
Ms. Shazia Khurram	Non-Executive	Yes	Yes	No	Yes	Yes
Syed Amir Ali	Non-Executive	Yes	Yes	Yes	Yes	Yes
Syed Imran Ali Shah***	Non-Executive	No	Yes	Yes	Yes	Yes
Mr. Tariq Mairaj***	Non-Executive	Yes	No	No	No	No

* Mr. Ahmed Iqbal Rajani resigned from the Board on January 13, 2025, and Ms. Ayesha Umer was subsequently appointed on February 3, 2025.

** Mr. Imtiaz Gadar was appointed as Chief Executive Officer on August 1, 2024.

*** Mr. Tariq Mairaj resigned from the Board on September 10, 2024, and Syed Imran Ali Shah was subsequently appointed on September 18, 2024

25 GENERAL

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

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on August 18, 2025.

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

Chief Executive Officer

Chief Financial Officer

Director



PERFORMANCE TABLE
Al Meezan Mutual Fund

	2025	2024	2023
Net assets (Rs. '000) (ex-distribution)	12,925,853.49	4,874,450.28	3,153,194.00
Net assets value / redemption price per unit as at June 30 (Rs.) (ex-distribution)	39.8818	24.4013	15.6760
Offer price per unit as at June 30, (Rs.) (ex-distribution)	40.7990	24.9527	-
Highest offer price per unit (Rs.)	40.7990	28.1997	17.0147
Lowest offer price per unit (Rs.)	23.7796	16.0273	14.7959
Highest redemption price per unit (Rs.)	39.8818	27.5765	16.6387
Lowest redemption price per unit (Rs.)	23.2450	15.6731	14.4690
Distribution (%)		-	-
Interim	2.51%	3%	-
Final		-	-
Date of distribution	27-Jun-25	28-Jun-24	-
Interim		-	-
Final		-	-
Income distribution (Rupees in '000)	58,346	486,834	-
Growth distribution (Rupees in '000)		-	-
Total return (%)	64.70%	74.84%	-0.28%

	One Year	Two Years	Three Years
Average annual return as at June 30, 2025 (%)	64.70%	0.70%	0.46%

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



Al Meezan
Investment Management Ltd.

AM1
Rating by VIS & PACRA

TRACING THE MARKET SKIES

The KSE-Meezan Index Fund offers investors a horizon of market-linked growth in a Shariah-compliant manner.

KSE MEEZAN INDEX FUND

The investment objective of the Fund is to provide investors an opportunity to track closely the performance of the KSE-Meezan Index 30 (KMI 30) by investing in Companies of the Index in proportion to their weightages.



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited

Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal
Karachi 74400, Pakistan.

Phone (+9221) 35630722-6, 111-MEEZAN

Fax: (+9221) 35676143, 35630808

Website: www.almeezangroup.com

E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Irfan Siddiqui	Chairman
Ms. Ayesha Umer	Non-Executive Nominee Director- PKIC
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Mr. Imtiaz Gadar	Chief Executive Officer
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Syed Amir Ali	Non-Executive Nominee Director- MBL
Syed Imran Ali Shah	Non-Executive Nominee Director- MBL

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Syed Haseeb Ahmed Shah

BOARD AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Ms. Ayesha Umer	Member
Syed Imran Ali Shah	Member

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

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

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Imtiaz Gadar	Member
Mr. Faiz Ur Rehman	Subject Matter Expert

TRUSTEE

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

AUDITORS

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

SHARIAH AUDITORS

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

LEGAL ADVISER

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

SHARIAH ADVISER

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

TRANSFER AGENT

Al Meezan Investment Management Limited

BANKERS TO THE FUND

1. Habib Metropolitan Bank Limited - Islamic Banking
2. Meezan Bank Limited
3. National Bank of Pakistan - Islamic Banking



REPORT OF THE FUND MANAGER KSE Meezan Index Fund (KMIF)

Type of Fund

Open end index tracker fund

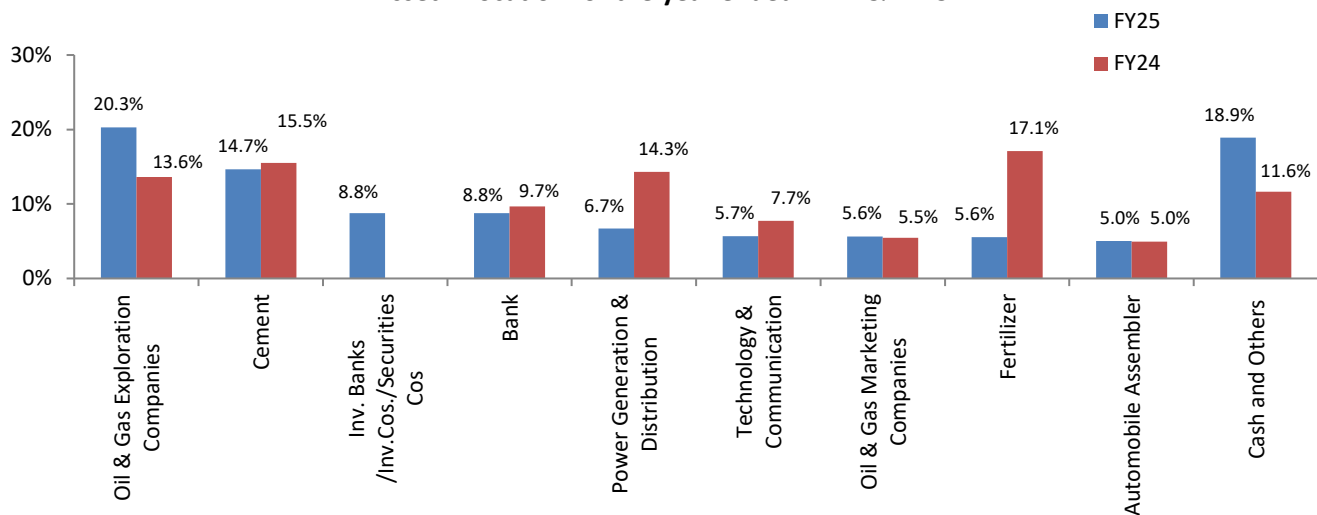
Objective

The objective of KMIF is to provide investors an opportunity to track the performance of the KSE-Meezan Index 30 (KMI 30) by investing in companies of the Index in proportion to their weightages.

Strategy, Investment Policy and Asset Allocation

The performance of KMIF is linked directly to the performance of KSE-Meezan Index 30 (KMI 30). The Fund Manager, Al Meezan Investment Management Limited, manages the fund with an aim to closely track the returns of the index. The Fund Manager strives to completely match the weightages of the constituent stocks of the index. Top three sectors of index are, Oil & Gas Exploration Companies (20%), Cement (15%) and Inv. Banks / Inv. Cos. / Securities Cos. (9%). Details below:

Asset Allocation for the year ended FY24 & FY25



Performance Review

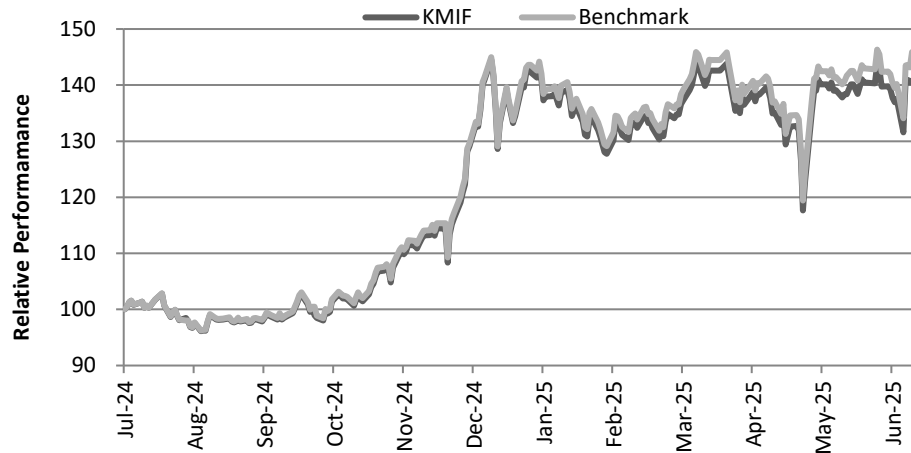
During FY25, KSE Meezan Index Fund (KMIF) provided a positive return of 43.52% to its investors while KSE Meezan Index (KMI 30) - Benchmark increased 46.24% to close at 184,886 pts.

	KMIF	KMI-30 (Benchmark)
Net Asset Value (NAV) as on June 30, 2024	101.54	126,424
Net Asset Value (NAV) as on June 30, 2025	139.62	184,886
Change (Points)	38.08	58,462
* Return During the Period	43.52%	46.24%

* The performance data has been computed NAV to NAV with dividend reinvested



KMIF posted a total income of Rs. 1,709 million in the fiscal year 2025 as compared to a total income of Rs. 1,830 million last year. Total income comprised of realized and unrealized gain on investments of Rs. 858 million and Rs. 580 million respectively. Dividend income contributed Rs. 249 million to income, while profit on saving accounts with banks amounted to Rs. 5 million. After accounting for expenses of Rs. 106 million, the Fund posted a net income of Rs. 1,603 million. The net assets of the Fund as at June 30, 2025 were Rs. 4,702 million as compared to Rs. 3,973 million at the end of last year depicting an increase of 18%. The net asset value per unit as at June 30, 2025 was Rs. 139.6180 as compared to Rs. 101.5393 per unit as on June 30, 2024.



Charity Statement

The Fund purifies the income earned by setting aside an amount payable by the Management Company out of the income of the Trust to charitable/welfare organizations, in consultation with Shariah Advisor, representing income that is Haram. During the year ended June 30, 2025 an amount of Rs. 10 million was accrued as charity payable.

Distributions

An interim distribution in the form of cash dividend by the Fund during the fiscal year ended June 30, 2025 was Rs. 6.00 per unit (12.00%). Total distribution made by the Fund was Rs. 154 million.

SWWF Disclosure

Not Applicable

Breakdown of unit holdings by size:

(As on June 30, 2025)

Range (Units)	No. of investors
1 - 9,999	1,829
10,000 - 49,999	1,160
50,000 - 99,999	800
100,000 - 499,999	444
500,000 and above	396
Total	4,629



Summary of Actual Proxy Voted by the Fund

	Resolutions	For	Against	Abstain
Number	6	6	0	0
Percentage	100%	100%	0%	0%

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

KSE MEEZAN INDEX FUND

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of KSE Meezan Index Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2025 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 12, 2025

Dr. Muhammad Imran Usmani

Jamia Darul Uloom Karachi
Korangi Industrial Area Karachi, Pakistan
Postal Code 75180
Tel: +92 21 35123225
Fax: +92 21 5040234
Email: miu786@gmail.com

Report of the Shariah Advisor – KSE Meezan Index Fund (KMIF)

August 12, 2025/Safar 17, 1447 AH

Alhamdulillah, the period from July 1, 2024 to June 30, 2025 was the Thirteenth year of operations of KSE Meezan Index Fund (the “KMIF” or the “Fund”) under management of Al Meezan Investment Management Limited (the “Al Meezan” or the “Management Company”). I, Dr. Muhammad Imran Ashraf Usmani, am the Shariah Advisor of the Fund and issuing the Shariah Advisor Report (the “Report”) in accordance with the Trust Deed of the Fund. The scope of the Report is to express an opinion on the Shariah compliance of the Fund’s activity.

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

It is also the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the Management Company’s personnel and review of various documents prepared by the Management Company to comply with the Shariah Advisor’s guidelines.

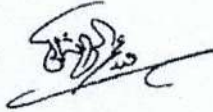
We have reviewed and approved the modes of investments of the Fund in light of Shariah requirements. On the basis of information provided by the Management Company, all operations of the Fund for the year ended June 30, 2025 have been in compliance with the Shariah principles.

In light of the above, we hereby certify that all the provisions of the scheme and investments made on account of the Fund under management of Al Meezan are Shariah-compliant and in accordance with the criteria established by us.

We further confirm that earnings realized through prohibited sources were transferred to the charity.

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

And Allah knows the best.



Dr. Muhammad Imran Ashraf Usmani
Shariah Advisor

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

To The Board of Directors of Al Meezan Investment Management Limited

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) – External Shariah Audit of **KSE Meezan Index Fund** (the Fund) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with the Shariah principles for the year ended **June 30, 2025**. This engagement was conducted by a multidisciplinary team including assurance practitioners and an independent Shariah scholar.

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2025) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under:

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

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

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2025, which are annexed.

3. Management's Responsibility for Shariah Compliance

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

4. Our Independence and Quality Control

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

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

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications, with Shariah principles in all material respects for the year ended June 30, 2025, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), '*Assurance Engagements Other than Audits or Reviews of Historical Financial Information*', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

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

6. Conclusion

Based on our reasonable assurance engagement, we report that, in our opinion, the Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2025 are in compliance with the Shariah principles (criteria specified in paragraph 2 above), in all material respects.

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



Chartered Accountants

Date: September 25, 2025

Place: Karachi



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of KSE Meezan Index Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of KSE Meezan Index Fund (the Fund / Collective Investment Scheme), which comprise the statement of assets and liabilities as at June 30, 2025, and the income statement, the statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2025, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 5 and 6 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks aggregated to Rs. 702.67 million and investments of the Fund amounted to Rs. 4,713.46 million as at June 30, 2025. The existence and proper valuation of investments and existence of balances with banks for the determination of NAV of the Fund as at June 30, 2025 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none">Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2025 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed;Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; andObtained bank reconciliation statements and tested reconciling items on a sample basis.

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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

A. F. Ferguson & Co.

Chartered Accountants

Dated: September 25, 2025

Karachi

UDIN: AR202510081bUSw6qcLF



KSE MEEZAN INDEX FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2025

	Note	2025	2024
		-----Rupees in '000'-----	
Assets			
Balances with banks	5	702,671	12,838
Investments	6	4,713,464	4,111,529
Receivable against sale of investments		72,401	3,297
Receivable against conversion of units		6,581	3
Dividend receivable		1,228	383
Deposits and other receivables	7	7,515	2,789
Total assets		5,503,860	4,130,839
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	8	1,152	670
Payable to Central Depository Company of Pakistan Limited - Trustee	9	563	448
Payable to the Securities and Exchange Commission of Pakistan	10.1	397	311
Payable to Meezan Bank Limited		486	65
Payable against conversion and redemption of units		686,376	18
Accrued expenses and other liabilities	11	54,307	41,847
Dividend payable		58,613	114,717
Total liabilities		801,894	158,076
Net assets		4,701,966	3,972,763
Unit holders' fund (as per statement attached)		4,701,966	3,972,763
Contingencies and commitments	12		
Number of units in issue		33,677,347	39,125,373
		(Rupees)	
Net asset value per unit		139.6180	101.5393

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

For Al-Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



**KSE MEEZAN INDEX FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

Note	2025	2024
	-----Rupees in '000'-----	
Income		
Dividend income	249,180	249,709
Profit on saving accounts with banks	5,191	1,225
Net realised gain on sale of investments	858,024	217,861
Other income	16,399	6,979
	<u>1,128,794</u>	<u>475,774</u>
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2 579,906	1,354,044
Total income	<u>1,708,700</u>	<u>1,829,818</u>
Expenses		
Remuneration of Al Meezan Investment Management Limited - Management Company	8.1 49,599	32,672
Sindh Sales Tax on remuneration of the Management Company	8.2 7,440	4,247
Allocated expenses	8.3 1,517	1,904
Sindh Sales Tax on allocated expenses	8.2 228	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1 5,960	4,267
Sindh Sales Tax on remuneration of the Trustee	9.2 894	555
Fees to Securities and Exchange Commission of Pakistan	10.1 4,712	3,104
Brokerage expense	22,310	6,709
Auditors' remuneration	13 787	630
Fee and subscription	585	586
Printing expense	40	2
Charity expense	11.2 9,848	8,276
Legal and professional charges	73	-
Bank and settlement charges	1,654	678
Total expenses	<u>105,647</u>	<u>63,630</u>
Net income for the year before taxation	<u>1,603,053</u>	<u>1,766,188</u>
Taxation	15 -	-
Net income for the year after taxation	<u>1,603,053</u>	<u>1,766,188</u>
Allocation of net income for the year		
Net income for the year after taxation	1,603,053	1,766,188
Income already paid on units redeemed	(521,097)	(1,010,901)
	<u>1,081,956</u>	<u>755,287</u>
Accounting income available for distribution		
- Relating to capital gains	1,081,956	755,287
- Excluding capital gains	-	-
	<u>1,081,956</u>	<u>755,287</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director



**KSE MEEZAN INDEX FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025**

	2025	2024
	-----Rupees in '000'-----	
Net income for the year after taxation	1,603,053	1,766,188
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u><u>1,603,053</u></u>	<u><u>1,766,188</u></u>

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

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

Chief Executive Officer

Chief Financial Officer

Director



KSE MEEZAN INDEX FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2025

	2025			2024		
	Capital value	Undistributed income	Total	Capital value	(Accumulated losses) / Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year	3,574,628	398,135	3,972,763	2,754,834	(170,120)	2,584,714
Issuance of 49,942,363 units (2024: 38,641,005 units)						
- Capital value (at net asset value per unit at the beginning of the year)	5,071,113	-	5,071,113	2,509,038	-	2,509,038
- Element of income	1,585,029	-	1,585,029	1,269,441	-	1,269,441
Total proceeds on issuance of units	6,656,142	-	6,656,142	3,778,479	-	3,778,479
Redemption of 55,390,389 units (2024: 39,322,072 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(5,624,301)	-	(5,624,301)	(2,553,261)	-	(2,553,261)
- Element of loss	(1,187,545)	(521,097)	(1,708,642)	(155,527)	(1,010,901)	(1,166,428)
Total payments on redemption of units	(6,811,846)	(521,097)	(7,332,943)	(2,708,788)	(1,010,901)	(3,719,689)
Total comprehensive income for the year	-	1,603,053	1,603,053	-	1,766,188	1,766,188
Distribution during the year	-	(154,085)	(154,085)	-	(187,032)	(187,032)
Refund of capital during the year	(42,964)	-	(42,964)	(249,897)	-	(249,897)
Net income for the year less distribution	(42,964)	1,448,968	1,406,004	(249,897)	1,579,156	1,329,259
Net assets at the end of the year	<u>3,375,960</u>	<u>1,326,006</u>	<u>4,701,966</u>	<u>3,574,628</u>	<u>398,135</u>	<u>3,972,763</u>
Undistributed income / (accumulated loss) brought forward						
- Realised (loss) / income		(955,909)			8,334	
- Unrealised income / (loss)		1,354,044			(178,454)	
		<u>398,135</u>			<u>(170,120)</u>	
Accounting income available for distribution						
- Relating to capital gains	<u>1,081,956</u>			<u>755,287</u>		
- Excluding capital gains		-			-	
	<u>1,081,956</u>			<u>755,287</u>		
Distribution during the year @ Rs.6 per unit (2024: 12.0760 per unit) declared on June 27, 2025		(154,085)			(187,032)	
Undistributed income carried forward		<u>1,326,006</u>			<u>398,135</u>	
Undistributed income / (accumulated losses) carried forward						
- Realised income / (loss)		746,100			(955,909)	
- Unrealised income		579,906			1,354,044	
		<u>1,326,006</u>			<u>398,135</u>	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the year			<u>101.5393</u>			<u>64.9320</u>
Net asset value per unit at the end of the year			<u>139.6180</u>			<u>101.5393</u>

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

For Al-Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



**KSE MEEZAN INDEX FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025	2024
		-----Rupees in '000'-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year after taxation		1,603,053	1,766,188
Adjustments for:			
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	(579,906)	(1,354,044)
Dividend income		(249,180)	(249,709)
Profit on savings accounts with banks		(5,191)	(1,225)
		<u>768,776</u>	<u>161,210</u>
Increase in assets			
Investments - net		(22,027)	(174,633)
Receivable against sale of investments		(69,104)	(3,297)
Deposits and other receivables		(3,158)	-
		<u>(94,289)</u>	<u>(177,930)</u>
Increase in liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		482	(105)
Payable to Central Depository Company of Pakistan Limited - Trustee		115	126
Payable to the Securities and Exchange Commission of Pakistan		86	(221)
Payable to Meezan Bank Limited		421	65
Payable against purchase of investments		-	(22)
Accrued expenses and other liabilities		12,460	20,326
		<u>13,564</u>	<u>20,169</u>
Dividend received		248,335	251,323
Profit received in savings accounts with banks		3,623	1,064
Net cash generated from operating activities		<u>940,010</u>	<u>255,836</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units - net of refund of capital		6,649,564	3,537,747
Payment against redemption and conversion of units		(6,646,586)	(3,719,673)
Dividend paid		(253,154)	(73,647)
Net cash used in financing activities		<u>(250,176)</u>	<u>(255,573)</u>
Net increase in cash and cash equivalents during the year		<u>689,833</u>	<u>263</u>
Cash and cash equivalents at the beginning of the year		12,838	12,575
Cash and cash equivalents at the end of the year	5	<u><u>702,671</u></u>	<u><u>12,838</u></u>

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

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

Chief Executive Officer

Chief Financial Officer

Director



1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 KSE Meezan Index Fund (the Fund) was established under a Trust Deed executed under Trust Act, 1882 between Al Meezan Investment Management Limited as Management Company ('the Management Company') and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on March 13, 2012 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, 2008). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, 74400, Pakistan.

In the year 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act). Accordingly, on August 16, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Fund is a Shariah Compliant Index Fund that aims to provide investors an opportunity to track closely the performance of the KSE-Meezan Index 30 (KMI 30) by investing in companies of the index in proportion to their weightages. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The Management Company has appointed Meezan Bank Limited (MBL) 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 fund listed on 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 categorized as a Shariah Compliant Index Fund.

1.4 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 31, 2024 (2023: 'AM1' dated December 29, 2023) and by PACRA dated May 15, 2025 (2024: 'AM1' dated June 21, 2024). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (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 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 Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have, therefore, not been disclosed in these financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2025. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2025) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

3.4 Critical accounting estimates and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 4.1 and 6).

3.5 Accounting convention

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

3.6 Functional and presentation currency

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

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

4.1 Financial assets

4.1.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

4.1.2 Classification and subsequent measurement

4.1.2.1 Equity instruments

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

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

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

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

4.1.2.2 Cash and cash equivalents

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

These comprise balances with banks in savings and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less.

4.1.3 Impairment

The fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets carried at amortised cost. The fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

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

4.1.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

4.1.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

4.2 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

4.3 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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

4.4 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

4.7 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

4.8 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between Net Asset Value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income / (loss) is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.9 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement, on the date when the transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise.
- Dividend income is recognised when the Fund's right to receive the same is established i.e. on the commencement of date of book closure of the investee company / institution declaring the dividend.
- Profit on saving accounts with bank is recognised on an accrual basis.

4.10 Expenses

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

4.11 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

4.12 Treatment of Shariah non-compliant income

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

5	BALANCES WITH BANKS	Note	2025	2024
			-----Rupees in '000'-----	
	Balances with banks in:			
	Savings accounts	5.1	695,336	9,476
	Current accounts	5.2	7,335	3,362
			<u>702,671</u>	<u>12,838</u>

5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 3.25% (2024: 11.01%) per annum. Other balances in savings accounts have an expected profit ranging from 4.82% to 10.30% (2024: 8.82% to 19.20%) per annum.

5.2 This includes a balance maintained with Meezan Bank Limited (a related party).

6	INVESTMENTS	Note	2025	2024
			-----Rupees in '000'-----	
	At fair value through profit or loss			
	Investment in equity securities - listed	6.1	<u>4,713,464</u>	<u>4,111,529</u>

6.1 Investments in equity securities - listed

Name of the investee company	As at July 1, 2024	Purchased during the year	Bonus / Split / rights issue received during the year	Sold / transferred during the year	As at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation / (diminution) as at June 30, 2025	Percentage in relation to		
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)*	Total market value of investments*
					(Number of shares)	(Rupees in '000)		%			

AUTOMOBILE ASSEMBLER

Millat Tractors Limited	322,260	316,207	-	392,054	246,413	154,258	137,661	(16,597)	2.93	0.13	2.92
Honda Atlas Cars (Pakistan) Limited	-	132,740	-	53,854	78,885	24,458	21,712	(2,746)	0.46	0.06	0.46
Sazgar Engineering Works Limited	-	101,553	-	43,637	57,916	65,626	66,014	388	1.40	0.10	1.40
Ghandhara Industries Limited	-	65,343	-	24,134	41,209	25,461	26,804	1,343	0.57	0.07	0.57
Ghandhara Automobiles Limited	-	79,348	-	16,972	62,376	26,858	23,539	(3,319)	0.50	0.10	0.50
									5.86	0.36	5.85

COMMERCIAL BANKS

Meezan Bank Limited (a related party of the Fund)	1,671,112	1,534,894	-	1,973,629	1,232,377	301,118	409,211	108,093	8.70	0.07	8.68
Faysal Bank Limited	1,413,705	1,289,111	-	1,659,078	1,043,738	52,357	72,769	20,412	1.55	0.07	1.54
									10.25	0.14	10.23

Name of the investee company	As at July 1, 2024	Purchases during the year	Bonus / Split / rights issue received during the year	Sales during the year	As at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation/ (diminution) as at June 30, 2025	Percentage in relation to		
									Net assets of the Fund	Paid-up capital of investee company (with face value of investment)*	Total market value of investments*
Number of shares						(Rupees in '000)					
CEMENT											
D.G. Khan Cement Company Limited	815,905	685,962	-	899,090	602,777	59,514	99,796	40,282	2.12	0.14	2.12
Fauji Cement Company Limited	3,205,646	2,722,404	-	3,569,489	2,358,561	75,422	105,357	29,935	2.24	0.10	2.24
Cherat Cement Company Limited	434,515	299,058	-	733,573	-	-	-	-	-	-	-
Lucky Cement Limited (note 6.1.1)	328,062	1,505,422	-	626,650	1,206,834	260,229	428,716	168,487	9.12	0.41	9.10
Pioneer Cement Limited	382,364	330,349	-	432,220	280,493	54,686	63,989	9,303	1.36	0.12	1.36
Maple Leaf Cement Factory Limited	1,614,554	1,499,471	-	1,819,229	1,294,796	58,624	109,125	50,501	2.32	0.12	2.32
									17.16	0.89	17.12
CHEMICAL											
Engro Polymer & Chemicals Limited	843,645	711,674	-	1,555,319	-	-	-	-	-	-	-
									-	-	-
FERTILIZER											
Engro Corporation Limited	1,002,415	980,174	-	1,982,589	-	-	-	-	-	-	-
Engro Fertilizers Limited (a related party of the Fund)	2,242,994	1,837,168	-	2,428,974	1,651,188	307,837	306,444	(1,393)	6.52	0.12	6.50
									6.52	0.12	6.50
FOOD AND PERSONAL CARE											
Unilever Foods Limited	1,564,987	1,420,634	-	2,985,621	-	-	-	-	-	-	-
Fauji Foods Limited	-	2,666,561	-	1,267,209	1,399,352	21,194	21,662	468	0.46	0.56	0.46
The Organic Meat Company Limited	-	346,966	-	75,725	271,241	8,438	8,918	480	0.19	0.11	0.19
									0.65	0.67	0.65
INV. BANKS / INV. COS. / SECURITIES COS.											
Engro Holdings Limited (note 6.1.4)	-	4,119,404	-	1,471,976	2,647,428	556,618	483,314	(73,304)	10.28	0.20	10.25
									10.28	0.20	10.25
OIL AND GAS EXPLORATION COMPANIES											
Mari Energies Limited (notes 6.1.2 & 6.1.3)	99,544	767,080	763,616	990,704	659,536	315,473	413,457	97,984	8.79	0.56	8.77
Oil & Gas Development Company Limited	-	2,983,287	-	1,210,708	1,772,579	400,020	390,960	(9,060)	8.31	0.04	8.29
Pakistan Petroleum Limited (note 6.1.2)	2,492,860	2,145,773	-	2,799,751	1,838,882	275,602	312,923	37,321	6.66	0.07	6.64
									23.76	0.67	23.71
OIL AND GAS MARKETING COMPANIES											
Hasecol Petroleum Limited	471	-	-	471	-	-	-	-	-	-	-
Pakistan State Oil Company Limited	789,556	724,550	-	934,242	579,864	155,807	218,916	63,109	4.66	0.12	4.64
Sui Northern Gas Pipelines Limited	1,066,604	1,063,454	-	1,345,235	784,823	67,719	91,697	23,878	1.95	0.12	1.94
Shell Pakistan Limited	199,664	129,154	-	328,818	-	-	-	-	-	-	-
									6.60	0.24	6.59
PHARMACEUTICALS											
The Searle Company Limited	856,976	747,909	-	902,851	702,034	57,114	61,568	4,454	1.31	0.22	1.31
									1.31	0.22	1.30
POWER GENERATION & DISTRIBUTION											
The Hub Power Company Limited	3,619,996	3,127,364	-	4,076,586	2,670,774	380,400	368,059	(12,341)	7.83	0.21	7.81
K-Electric Limited (note 6.1.1)	-	13,298,274	-	13,298,274	-	-	-	-	-	-	-
Pak Elektron Limited	-	2,258,188	-	859,237	1,398,951	57,682	57,301	(381)	1.22	3.11	1.22
									9.05	3.32	9.02
PROPERTY & REAL ESTATE											
Dolmen City REIT	2,082,706	1,381,688	-	3,464,394	-	-	-	-	-	-	-
TPL Properties Limited	828,715	548,294	-	1,377,009	-	-	-	-	-	-	-
									-	-	-
REFINERY											
Attock Refinery Limited	159,465	139,670	-	182,059	117,076	56,066	79,544	23,478	1.69	0.11	1.69
National Refinery Limited	97,785	90,170	-	187,955	-	-	-	-	-	-	-
Pakistan Refinery Limited	855,549	742,067	-	975,632	621,984	18,256	21,104	2,848	0.45	0.10	0.45
									2.14	0.21	2.14

Name of the investee company	As at July 1, 2024	Purchases during the year	Bonus / Split / rights issue received during the year	Sales during the year	As at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation/ (diminution) as at June 30, 2025	Percentage in relation to		
									Number of shares	(Rupees in '000)	%
TECHNOLOGY & COMMUNICATION											
Systems Limited (note 6.1.1)	652,057	837,027	2,390,252	1,270,383	2,608,953	262,300	279,523	17,223	5.94	0.94	5.93
Avanceon Limited	-	431,867	-	84,425	347,442	17,317	16,952	(365)	0.36	0.11	0.36
NetSol Technologies Limited	101,236	158,563	-	185,200	74,599	10,235	9,919	(316)	0.21	0.08	0.21
Air Link Communication Limited	366,226	338,127	-	704,353	-	-	-	-	-	-	-
Octopus Digital Limited	-	164,702	-	36,350	128,352	6,869	6,610	(259)	0.14	0.03	0.14
									6.66	1.16	6.64
TEXTILE COMPOSITE											
Interloop Limited	1,033,479	791,329	-	1,824,808	-	-	-	-	-	-	-
Nishat Mills Limited	523,742	355,074	-	878,816	-	-	-	-	-	-	-
									-	-	-
Total as at June 30, 2025						4,133,558	4,713,464	579,906	100		100
Total as at June 30, 2024						2,757,485	4,111,529	1,354,044			

* Nil figures due to rounding off difference

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

Name of the investee company	Nominal value per share as on June 30, 2025 (Rs.)	Subdivision of share during the year	Additional shares received on account of subdivision of shares during the year
K-Electric Limited	3.50	-	-
Lucky Cement Limited	2.00	On April 28, 2025 from Rs .10/- to Rs .2/- per share	122,675
Systems Limited	2.00	On June 2, 2025 from Rs .10/- to Rs .2/- per share	51,155

6.1.2 Investments include 682,000 shares (June 30, 2024: 682,000 shares) of Pakistan Petroleum Limited having market value of Rs. 116.056 million as at June 30, 2025 (June 30, 2024: Rs. 79.869 million), 342,200 shares (June 30, 2024: nil shares) of Mari Energies Limited having market value of Rs. 214.522 million as at June 30, 2025 (June 30, 2024: Rs nil million), and nil shares of System Limited (2024: 100,000 shares) having market value of Rs. nil million as at June 30, 2025 (2024: Rs. 41.830 million), which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

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

In this regard, a petition was filed by the Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CIS. The petition is based on the grounds that since the CISs are exempt from levy of income tax in terms of 99 of Part-I of the Second Schedule to the ITO, no tax is payable by the Fund under Section 236Z of the ITO. During the current period, the Honorable High Court of Sindh has issued notices to the relevant parties and ordered to retain the bonus shares being withheld and no tax shall be paid under section 236Z of the ITO till further orders by the Court. As at June 30, 2025, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares are valued at Rs. 47.669 million.

6.1.4 During the year, Engro Corporation Limited (ENGRO) has been merged with and into Engro Holdings Limited (ENGROH) (formerly known as Dawood Hercules Corporation Limited), upon sanction by the Honourable Islamabad High Court on July 18, 2024. In accordance with the Scheme of Arrangement, and in consideration for the merger in terms thereof, ENGROH will allot and issue ordinary shares of ENGROH to the ENGRO Shareholders (being the members of ENGRO, other than ENGROH and its nominees, if any), based on a swap ratio of 2.24407865 ENGROH shares for each ordinary share held by them (subject to the adjustment of fractional shares), in the manner detailed in the Scheme.

As a result of the above arrangement, the Fund received 79,765 shares of Engro Holdings Limited in lieu of 35,545 shares of Engro Corporation Limited based on the ratio of DH Corp (renamed as Engro Holdings Limited) shares to Engro Corp shares under the Scheme (i.e. 2.24407865).

6.2 Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	Note	2025	2024
		—Rupees in '000'—	
Market value of investments	6.1	4,713,464	4,111,529
Less: Carrying value of investments	6.1	(4,133,558)	2,757,485
		<u>579,906</u>	<u>1,354,044</u>

7 DEPOSITS AND OTHER RECEIVABLES

Profit receivable on bank balances		1,754	186
Security deposit with Central Depository Company of Pakistan Limited		103	103
Security deposit with the National Clearing Company of Pakistan Limited		2,500	2,500
Receivable against withholding tax on bonus shares	7.1	3,158	-
		<u>7,515</u>	<u>2,789</u>

7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, during prior years, withholding tax on dividend and profit on bank deposits paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on dividends and profit on bank deposits amounts to Rs 1.296 million (2024: Rs. 1.296 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividends and profit on bank deposits has been shown as other receivables as at June 30, 2025 in the opinion of the Management Company, the amount of tax deducted at source will be refunded.

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

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

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

As at June 30, 2025, the Fund has recorded an amount of Rs. 0.717 million as receivables against withholding tax on bonus shares in respect of bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares.

8	PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2025	2024
			-----Rupees in '000'-----	
	Management fee payable	8.1	634	464
	Sindh Sales Tax on management fee payable	8.2	95	60
	Sales load payable		368	125
	Sindh Sales Tax payable on sales load		55	21
			1,152	670

8.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2024: 1%) per annum of the average annual net assets of the Fund during the year ended June 30, 2025. The remuneration is payable to the Management Company monthly in arrears.

During the year ended June 30, 2025, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, introduced the management fee cap of 0.75% to be calculated on a per annum basis of the average daily net assets, applicable to an "Index Tracker Scheme". This revision is effective from July 1, 2025. As at June 30, 2025 the Fund is not subject to a management fee cap.

8.2 Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of Management Company has been enhanced from the rate of 13% to 15% (2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

Further, Sindh sales tax at the rate of 15% has also been levied on any reimbursable expenditure to the Management Company effective July 1, 2024 vide Sindh Finance Act, 2024.

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

The Management Company, based on its own discretion, has charged such expenses at the following rates during the year ended June 30, 2025, subject to total expense charged being lower than actual expense incurred:

Rate applicable from May 19, 2025 to June 30, 2025	Rate applicable from January 1, 2025 to May 18, 2025	Rate applicable from July 01, 2024 to December 31, 2024	Rate applicable from July 01, 2023 to January 31, 2024	Rate applicable from February 01, 2024 to June 30, 2024
0% of the average annual net assets of the Fund	0.0403% of the average annual net assets of the Fund	0.035% of the average annual net assets of the Fund	0.11% of the average annual net assets of the Fund	0.00% of the average annual net assets of the Fund

Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to registrar services, accounting, operation and valuation services has been excluded. This amendment was effective immediately upon its release on April 10, 2025, except where a later date was explicitly approved by the SECP.

9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2025	2024
			-----Rupees in '000'-----	
	Trustee fee payable	9.1	489	396
	Sindh sales Tax payable on trustee fee	9.2	74	52
			563	448

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

Net Assets (Rs.)	Fee
Up to Rs.1 billion	Rs 0.7 million or 0.2% per annum of net assets, whichever is higher.
Over Rs. 1 billion	Rs 2.0 million plus 0.10% per annum of net assets exceeding Rs 1,000 million.

- 9.2 Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of the Trustee has been enhanced from the rate of 13% to 15% (2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

	Note	2025 -----Rupees in '000'-----	2024
10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Fee payable	10.1	<u>397</u>	<u>311</u>

- 10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.095% (2024: 0.095%) per annum of the daily net assets of the Fund. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

	Note	2025 -----Rupees in '000'-----	2024
11 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		617	430
Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the management company	11.1	5,741	5,741
Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	11.1	494	494
Brokerage payable		4,835	2,046
Shariah advisor fee payable		508	506
Charity payable	11.2	9,622	8,273
Withholding tax and capital gain tax payable		32,440	24,277
Zakat payable		5	71
IBFT charges payable		45	9
		<u>54,307</u>	<u>41,847</u>

- 11.1 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. 6.235 million is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re. 0.19 (2024: Re. 0.16) per unit.

- 11.2 According to the instructions of the Shariah Advisor, income earned by the Fund from prohibited sources should be donated to charitable purposes.

During the year ended June 30, 2025, non-shariah compliant income amounting to Rs 9.848 million (2024: Rs. 8.276 million) was charged as an expense in the books of the Fund, and Rs. 8.499 million was disbursed to following charitable welfare organisations respectively:

S. No.	Charitable Organisations	Amount Rupees in '000
1	Hunar Foundation	226
2	Afzal Memorial Foundation	273
3	Ihsan Trust (a related party)	8,000
		<u>8,499</u>

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2025 and June 30, 2024.

13 AUDITORS' REMUNERATION	2025	2024
	-----Rupees in '000'-----	
Annual audit fee	438	278
Half yearly review of condensed interim financial statements	227	145
Fee for other certifications	87	50
Out of pocket expenses and Sindh Sales Tax	35	157
	<u>787</u>	<u>630</u>

14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2025 is 2.13% (2024: 1.95%) which includes 0.33 (2024: 0.27%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Index Scheme.

During the year ended June 30, 2025, the SECP, vide S.R.O. 600(I)/2025 dated April 10, 2025, has removed the TER limit with effect from July 1, 2025. The TER limit, applicable previously, has been replaced with the management fee cap which has been disclosed in note 8.1 of these financial statements.

15 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2025 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

16 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 16.1 Connected persons / related parties include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly 10% or more of the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

- 16.2 Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 16.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 16.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 16.5 Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 16.6 The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

Balances	2025	2024
	-----Rupees in '000'-----	
AI Meezan Investment Management Limited (Management Company)		
Management fee payable	634	464
Sindh Sales Tax on management fee payable	95	60
Sales load payable	368	125
Sindh Sales Tax payable on sales load	55	21
Investment of 12,971,840 units (June 30, 2024: 20,970,953 units)	1,811,102	2,129,376
Central Depository Company of Pakistan Limited (CDC) - Trustee		
Trustee fee payable	489	396
Sindh sales Tax payable on trustee fee	74	52
Security Deposit	103	103
Meezan Bank Limited		
Bank balance	77,457	10,651
Profit receivable on saving accounts	110	86
Sales load payable	423	57
Sindh Sales Tax on sales load payable	63	7
Shariah advisor fee payable	508	506
Outstanding of 2,113,224 units (June 30, 2024: 2,113,224 units)	295,044	214,575
Investment in 1,232,377 shares (June 30, 2024: 1,671,112 shares)	409,211	400,048
Engro Fertilizers Limited *		
Investment in Nil shares (2024: 2,242,994 shares)	-	372,830
National Clearing Company of Pakistan Limited		
Security deposit	2,500	2,500
Directors, their close family members and key management personnel of the management company		
Outstanding 217,802 units (June 30, 2024: 196,759 units)	30,409	19,979
Unitholders holding 10% or more units of the Fund		
Investment of 21,922,488 units (June 30, 2024: 30,916,118 units)	3,060,774	3,139,201
AI Meezan Investment Management Limited - Gratuity Fund		
Investment of 157,454 units (June 30, 2024: 150,846 units)	21,983	15,317



Balances	2025	2024
	-----Rupees in '000'-----	
Meezan Strategic Allocation Fund MSAP-II		
Investment of Nil units (June 30, 2024: 391,484 units)	-	39,751
Meezan Strategic Allocation Fund MSAP-III		
Investment of Nil units (June 30, 2024: 46,932 units)	-	4,765
Transactions during the year	For the year ended June 30,	
	2025	2024
	-----Rupees in '000'-----	
AI Meezan Investment Management Limited (Management Company)		
Remuneration of AI Meezan Investment Management Limited		
- Management Company	49,599	32,672
Sindh Sales Tax on remuneration of the Management Company	7,440	4,247
Allocated expenses	1,517	1,904
Sindh Sales Tax on allocated expenses	228	-
Units issued: 4,222,751 units (June 30, 2024: 21,252,007 units)	591,946	2,356,289
Units redeemed: 12,221,865 units (June 30, 2024: 18,554,998 units)	1,481,000	2,094,873
Dividend paid	55,848	8,669
Refund of capital	19,068	217,746
Central Depository Company of Pakistan Limited (CDC) - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	5,960	4,267
Sindh Sales Tax on remuneration of the Trustee	894	555
CDS charges	587	158
Meezan Bank Limited		
Profit on saving accounts with banks	1,135	657
Dividend income	41,417	35,177
Shariah advisor fee	554	556
Shares purchased: 1,534,894 shares (June 30, 2024: 371,460 shares)	374,928	71,279
Shares sold: 1,973,629 shares (June 30, 2024: 342,926 shares)	484,553	45,269
Dividend paid	12,679	25,519
Engro Fertilizers Limited *		
Shares purchased: 1,607,313 shares (2024: 545,234 shares)	332,465	35,115
Shares sold: 1,888,987 shares (2024: 527,220 shares)	388,399	51,512
Dividend income	26,619	49,311
Colgate-Palmolive (Pakistan) Limited		
Shares purchased: Nil shares (2024: 85,890 shares)	-	134,845
Shares sold Nil shares (2024: 85,890 shares)	-	102,716
National Clearing Company of Pakistan Limited		
NCCPL charges	1,066	483
AI Meezan Investment Management Limited (Gratuity Fund)		
Units issued: 6,608 units (June 30, 2024: 16,064 units)	905	1,628
Dividend paid	905	1,628



Transactions during the year

For the year ended June 30,

2025 2024

-----Rupees in '000'-----

Directors, their close family members and key management personnel of the Management Company

Units issued 39,191 units (June 30, 2024: 39,801 units)	5,489	4,170
Units redeemed: 18,148 units (June 30 2024: 18,671 units)	2,451	1,336
Dividend paid	1,117	2,003
Refund of capital	142	152

Meezan Strategic Allocation Fund MSAP-II

Units issued: Nil units (June 30, 2024: 54,327 units)	-	5,224
Units redeemed: 391,485 units (June 30, 2024: Nil units)	45,850	-
Dividend paid	-	4,180
Refund of capital	-	44

Meezan Strategic Allocation Fund MSAP-III

Units issued: Nil units (June 30, 2024: 46,932 units)	-	3,506
Units redeemed: 46,933 units (June 30, 2024: Nil units)	6,263	-
Dividend paid	-	439
Refund of capital	-	67

Al Meezan Mutual Fund

Shares purchased	6,863	-
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* Current year balance has not been presented as the person was not classified as a related party / connected person of the Fund with effect from March 24, 2025. However, transactions with this related party till this date have been accordingly disclosed.

16.7 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

17 FINANCIAL INSTRUMENTS BY CATEGORY

2025		
At amortised cost	At fair value through profit or loss	Total

-----Rupees in '000'-----

Financial assets

Balances with banks	702,671	-	702,671
Investments	-	4,713,464	4,713,464
Receivable against sale of investments	72,401	-	72,401
Receivable against conversion of units	6,581	-	6,581
Dividend receivable	1,228	-	1,228
Deposits and other receivables	4,357	-	4,357
	<u>787,238</u>	<u>4,713,464</u>	<u>5,500,702</u>

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company	1,152	-	1,152
Payable to Central Depository Company of Pakistan Limited - Trustee	563	-	563
Payable to Meezan Bank Limited	486	-	486
Payable against conversion and redemption of units	686,376	-	686,376
Accrued expenses and other liabilities	15,627	-	15,627
Dividend payable	58,613	-	58,613
	<u>762,817</u>	<u>-</u>	<u>762,817</u>

2024		
At amortised cost	At fair value through profit or loss	Total
Rupees in '000'		
Financial assets		
Balances with banks	12,838	12,838
Investments	-	-
Receivable against sale of investments	4,111,529	4,111,529
Receivable against conversion of units	3,297	3,297
Dividend receivable	3	3
Deposits and other receivables	383	383
	2,789	2,789
	<u>19,310</u>	<u>4,130,839</u>
Financial liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	-	670
Payable to Central Depository Company of Pakistan Limited - Trustee	-	448
Payable to Meezan Bank Limited	-	65
Payable against conversion and redemption of units	-	18
Accrued expenses and other liabilities	-	41,847
	<u>-</u>	<u>43,048</u>

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

18.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: yield / profit rate risk, currency risk, and price risk.

(i) Yield / profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2025, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to variable rate risk. In case of 100 basis points increase/decrease in applicable rates on the last repricing date with all other variables held constant, the impact would have been immaterial.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Yield / profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2025 can be determined as follows:

2025					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
Rupees in '000'					
Financial assets					
Balances with banks	695,336	-	-	7,335	702,671
Investments	-	-	-	4,713,464	4,713,464
Receivable against sale of investments	-	-	-	72,401	72,401
Receivable against conversion of units	-	-	-	6,581	6,581
Dividend receivable	-	-	-	1,228	1,228
Deposits and other receivables	-	-	-	4,357	4,357
	695,336	-	-	4,805,366	5,500,702
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company	-	-	-	1,152	1,152
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	563	563
Payable to Meezan Bank Limited	-	-	-	486	486
Payable against conversion and redemption of units	-	-	-	686,376	686,376
Dividend payable	-	-	-	58,613	58,613
Accrued expenses and other liabilities	-	-	-	15,627	15,627
	-	-	-	762,817	762,817
On-balance sheet gap (a)	695,336	-	-	4,042,549	4,737,885
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap (b)	-	-	-	-	-
Total profit rate sensitivity gap (a+b)	695,336	-	-	-	-
Cumulative profit rate sensitivity gap	695,336	695,336	695,336	-	-

2024					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
Rupees in '000'					
Financial assets					
Balances with banks	9,476	-	-	3,362	12,838
Investments	-	-	-	4,111,529	4,111,529
Receivable against sale of investments	-	-	-	3,297	3,297
Receivable against conversion of units	-	-	-	3	3
Dividend receivable	-	-	-	383	383
Deposits and other receivables	-	-	-	2,789	2,789
	9,476	-	-	4,121,363	4,130,839
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company	-	-	-	670	670
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	448	448
Payable to Meezan Bank Limited	-	-	-	65	65
Payable against conversion and redemption of units	-	-	-	18	18
Accrued expenses and other liabilities	-	-	-	-	-
	-	-	-	1,201	1,201
On-balance sheet gap (a)	9,476	-	-	4,120,162	4,129,638
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap (b)	-	-	-	-	-
Total profit rate sensitivity gap (a+b)	9,476	-	-	-	-
Cumulative profit rate sensitivity gap	9,476	9,476	9,476	-	-

(ii) Currency risk

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

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks.

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

In case of 1% increase / decrease in KMI 30 Index on June 30, 2025, with all other variables held constant, the total comprehensive income of the Fund for the year would increase / decrease by Rs. 47.135 million (2024: Rs. 41.115 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 1% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI 30 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI 30 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI 30 Index.

18.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

2025						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000'						
Financial assets						
Balances with banks	702,671	-	-	-	-	702,671
Investments	-	-	-	-	4,713,464	4,713,464
Receivable against sale of investments	72,401	-	-	-	-	72,401
Receivable against conversion of units	6,581	-	-	-	-	6,581
Dividend receivable	1,228	-	-	-	-	1,228
Deposits and other receivables	1,754	-	-	-	2,603	4,357
	784,635	-	-	-	4,716,067	5,500,702
Financial liabilities						
Payable to AI Meezan Investment Management Limited - Management Company	1,152	-	-	-	-	1,152
Payable to Central Depository Company of Pakistan Limited - Trustee	563	-	-	-	-	563
Payable to Meezan Bank Limited	486	-	-	-	-	486
Payable against conversion and redemption of units	686,376	-	-	-	-	686,376
Dividend payable	58,613	-	-	-	-	58,613
Accrued expenses and other liabilities	14,502	617	508	-	-	15,627
	761,692	617	508	-	-	762,817
Net assets / (liabilities)	22,943	(617)	(508)	-	4,716,067	4,737,885

2024						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000'						
Financial assets						
Balances with banks	12,838	-	-	-	-	12,838
Investments	-	-	-	-	4,111,529	4,111,529
Receivable against conversion of units	3,297	-	-	-	-	3,297
Receivable against conversion of units	3	-	-	-	-	3
Dividend receivable	383	-	-	-	-	383
Deposits and other receivables	186	-	-	-	2,603	2,789
	16,707	-	-	-	4,114,132	4,130,839
Financial liabilities						
Payable to AI Meezan Investment Management Limited - Management Company	670	-	-	-	-	670
Payable to Central Depository Company of Pakistan Limited - Trustee	448	-	-	-	-	448
Payable to Meezan Bank Limited	65	-	-	-	-	65
Payable against conversion and redemption of units	18	-	-	-	-	18
Accrued expenses and other liabilities	40,911	430	506	-	-	41,847
	42,112	430	506	-	-	43,048
Net assets / (liabilities)	(25,405)	(430)	(506)	-	4,114,132	4,087,791

18.3 Credit risk

18.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	2025		2024	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	Rupees in '000			
Balances with banks	702,671	702,671	12,838	12,838
Investments	4,713,464	-	4,111,529	-
Receivable against sale of investments	72,401	72,401	3,297	3,297
Receivable against conversion of units	6,581	6,581	3	3
Dividend receivable	1,228	1,228	383	383
Deposits and other receivables	7,515	4,357	2,789	2,789
	<u>5,503,860</u>	<u>787,238</u>	<u>4,130,839</u>	<u>19,310</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2025 is the carrying amount of the financial assets. Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in equity securities of Rs 4,713.464 million (2024: 4,111.529 million) and receivable against withholding tax on bonus shares of Rs. 3.159 million (2024: Rs nil) is not exposed to credit risk.

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

18.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and mark-up accrued thereon and receivable against sale of investments. The credit rating profile of balances with banks is as follows:

Rating	% of financial assets exposed to credit risk	
	2025	2024
AAA	11.02%	83.00
AA+	88.98%	17.00
	<u>1.00</u>	<u>100.00</u>

19 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

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

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

As at June 30, 2025 and June 30, 2024, the Fund held the following financial instruments measured at fair values:

	2025		
	Level 1	Level 2	Level 3
	Rupees in '000		
Financial assets			
Investment in equity securities - listed	4,713,464	-	-
	<u>4,713,464</u>	<u>-</u>	<u>-</u>

	2024		
	Level 1	Level 2	Level 3
	Rupees in '000		
Financial assets			
Investment in equity securities - listed	4,111,529	-	-
	<u>4,111,529</u>	<u>-</u>	<u>-</u>

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

There were no transfers between levels during the year.

20 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

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

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

21 UNIT HOLDING PATTERN OF THE FUND

Category	2025			2024		
	Number of unit holders	Investment amount	Percentage of total	Number of unit holders	Investment amount	Percentage of total
	(Rupees in '000)			(Rupees in '000)		
Individuals	4,620	1,167,151	24.8%	2,101	374,187	9.42%
Associated Companies / Directors	2	1,833,085	39.0%	6	2,264,087	56.99%
Retirement Funds	1	134	0.0%	1	1,334,396	33.59%
Others	6	1,701,596	36.2%	5	93	0.00%
	<u>4,629</u>	<u>4,701,966</u>	<u>100.00%</u>	<u>2,113</u>	<u>3,972,763</u>	<u>100.00</u>

22 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2025		2024	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Alfa Adhi Securities (Private) Limited	8.40%	AKD Securities Limited	5.50%
KASB KTrade Securities	6.40%	Aba Ali Habib Securities (Private) Limited	5.25%
Ismail Iqbal Securities	6.39%	Darson Securities Limited	4.88%
Topline Securities Ltd.	6.18%	BMA Capital Management Limited	4.43%
IntermarketSecuritiesLimited	5.46%	EFG Hermes Pakistan Limited	4.09%
Taurus Securities Limited	5.36%	Foundation Securities (Private) Limited	4.01%
BMA Capital Management Limited	5.33%	Insight Securities (Private) Limited	3.99%
Aba Ali Habib Securities (Private) Limited	5.27%	Fawad Yusuf Securities (Private) Limited	3.58%
Alfalah Securities (Private) Limited	5.21%	Alfa Adhi Securities (Private) Limited	2.90%
Spectrum Securities Limited	4.87%	Al Habib Capital Markets (Private) Limited	2.47%

23 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Name	Designation	Qualifications	Overall experience
Mr. Imtiaz Gadar, CFA	Chief Executive Officer	CFA / MBA	Twenty Two years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Twenty Nine years
Mr. Ahmed Hassan	Head of Equity	CFA / MBA	Eighteen years
Ms. Amreen Soorani	Head of Research	FCCA	Fifteen years
Mr. Faizan Saleem	Head of Fixed Income	CFA level II / MBA	Eighteen years
Mr. Asif Imtiaz	VP Investments	CFA / MBA	Seventeen years
Mr. Akhtar Munir	Head of Risk Management	CFA / FRM, ACCA, FCMA & MBA	Twelve years
Mr. Ali Khan	Head of Product Development	CFA / FRM / MBA	Sixteen years

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

- Meezan Balanced Fund
- Meezan Asset Allocation Fund
- Meezan Financial Planning Fund of Fund
- Meezan Strategic Allocation Fund
- Meezan Strategic Allocation Fund-II
- Meezan Strategic Allocation Fund-III ;and
- Meezan Dedicated Equity Fund

24 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of Directors	Designation	Meeting held on				
		August 19, 2024	September 27, 2024	October 10, 2024	February 07, 2025	April 18, 2025
Mr. Irfan Siddiqui	Chairman	Yes	Yes	Yes	Yes	Yes
Mr. Ahmed Iqbal Rajani*	Non-Executive	Yes	Yes	Yes	N/A	N/A
Ms. Ayesha Umer*	Non-Executive	N/A	N/A	N/A	Yes	Yes
Ms. Danish Zuberi	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Feroz Rizvi	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Furquan Kidwai	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Imtiaz Gadar**	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes
Mr. Saad Ur Rahman Khan	Non-Executive	Yes	Yes	Yes	Yes	Yes
Ms. Shazia Khurram	Non-Executive	Yes	Yes	No	Yes	Yes
Syed Amir Ali	Non-Executive	Yes	Yes	Yes	Yes	Yes
Syed Imran Ali Shah***	Non-Executive	N/A	Yes	Yes	Yes	Yes
Mr. Tariq Mairaj***	Non-Executive	Yes	N/A	N/A	N/A	N/A

* Mr. Ahmed Iqbal Rajani resigned from the Board on January 13, 2025, and Ms. Ayesha Umer was subsequently appointed on February 3, 2025.

** Mr. Imtiaz Gadar was appointed as Chief Executive Officer on August 1, 2024.

*** Mr. Tariq Mairaj resigned from the Board on September 10, 2024, and Syed Imran Ali Shah was subsequently appointed on September 18, 2024.



25 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on August 18, 2025.

26 GENERAL

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

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

Chief Executive Officer

Chief Financial Officer

Director

CLUSTERS OF FOCUSED GROWTH

Meezan Dedicated Equity Fund creates a focused horizon for long-term growth.

MEEZAN DEDICATED EQUITY FUND

The investment objective of the Fund is to provide Fund of Funds scheme a dedicated equity platform to seek long term capital appreciation.



Meezan

Dedicated Equity
Fund

FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited

Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal
Karachi 74400, Pakistan.

Phone (+9221) 35630722-6, 111-MEEZAN

Fax: (+9221) 35676143, 35630808

Website: www.almeezangroup.com

E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Irfan Siddiqui	Chairman
Ms. Ayesha Umer	Non-Executive Nominee Director- PKIC
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Mr. Imtiaz Gadar	Chief Executive Officer
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Syed Amir Ali	Non-Executive Nominee Director- MBL
Syed Imran Ali Shah	Non-Executive Nominee Director- MBL

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Syed Haseeb Ahmed Shah

BOARD AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Ms. Ayesha Umer	Member
Syed Imran Ali Shah	Member

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

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

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Imtiaz Gadar	Member
Mr. Faiz Ur Rehman	Subject Matter Expert

TRUSTEE

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

AUDITORS

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

SHARIAH AUDITORS

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

LEGAL ADVISER

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

SHARIAH ADVISER

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

TRANSFER AGENT

Al Meezan Investment Management Limited

BANKERS TO THE FUND

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

REPORT OF THE FUND MANAGER Meezan Dedicated Equity Fund

Type of Fund

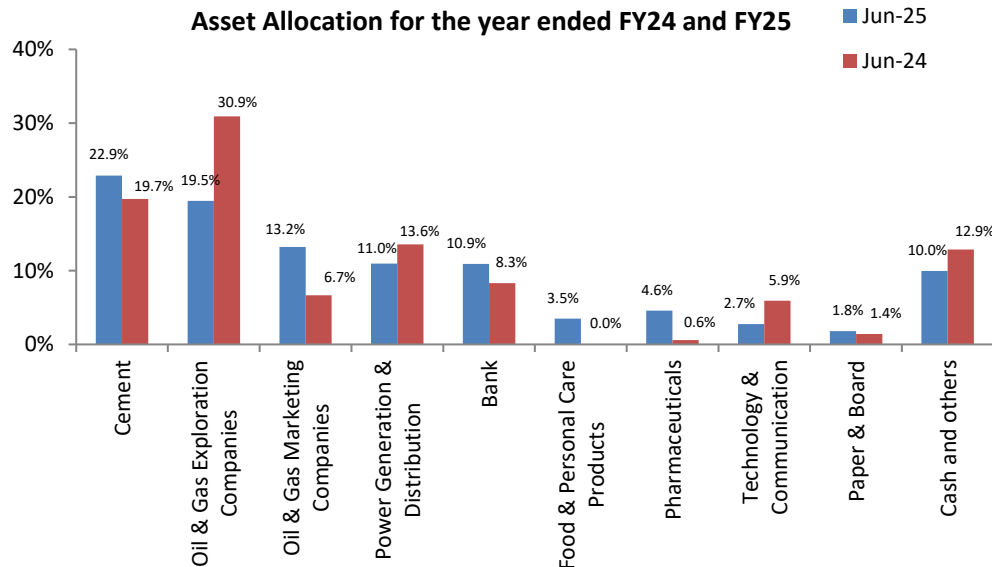
Open end Shariah Compliant Equity Scheme

Objective

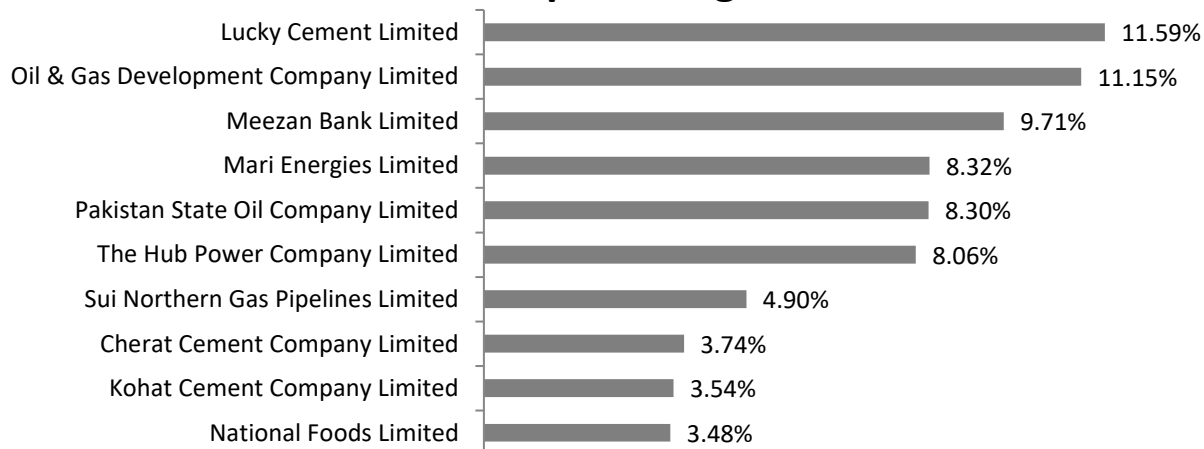
The investment objective of the fund is to provide Fund of Funds schemes a dedicated equity platform to seek long term capital appreciation.

Investment Policy

It primarily invests in Shariah compliant listed equity securities or securities whose listing has been approved by the exchange. In case the fund manager expects the stock market to drop, based on his analysis of macroeconomic factors such as interest rates, economic growth rates, political climate, corporate earnings, stock market valuations, etc., the portfolio may be temporarily allocated to other allowable asset classes, subject to the prescribed limits.



Top Holdings





Performance Review

During fiscal year 2025, Meezan Dedicated Fund (MDEF) provided a positive return of 65.72% to its investors while KSE Meezan Index (KMI 30) – Benchmark depreciated by 46.24% to close at 126,424 pts.

	MDEF	KMI-30 (Benchmark)
Net Asset Value (NAV) as on June 30, 2024 –Rs.	67.70	126,424
Net Asset Value (NAV) as on June 30, 2025 –Rs.	76.23	184,886
Change (Points)	8.53	58,462
Return During the Period	65.72%	46.24%

MDEF posted a total income of Rs. 169 million in FY25. Total income comprised of realised gain and unrealized gain on investments of Rs. 73 million and Rs. 78 million respectively. Dividend income contributed Rs. 17 million to income while profit on saving accounts with banks amounted to Rs. 1 million. After accounting for expenses of Rs. 15 million, the Fund posted a net income of Rs. 154 million. The net assets of the Fund as at June 30, 2025 were Rs. 373 million as compared to Rs. 385 million at the end of last year depicting a decrease of 3%. The net asset value per unit as at June 30, 2025 was Rs. 76.2315 as compared to Rs. 67.6969 per unit as on June 30, 2024.

Charity Statement

The Fund purifies the income earned by setting aside an amount payable by the Management Company out of the income of the Trust to charitable/welfare organizations, in consultation with Shariah Advisor, representing income that is Haram. During the year ended June 30, 2025 an amount of Rs. 1 million was accrued as charity payable.

Distributions

An interim distribution in the form of cash dividend by the Fund during the fiscal year ended June 30, 2025 was Rs. 35.25 per unit (70.50%). Total distribution made by the Fund was Rs. 0.2 million.

SWWF Disclosure

Not Applicable

Breakdown of unit holdings by size
(As on June 30, 2025)

Range (Units)	No. of Investors
1 - 9,999	2
10,000 - 49,999	0
50,000 - 99,999	0
100,000 - 499,999	2
500,000 and above	4
Total	8



Summary of Actual Proxy Voted by the Fund

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

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

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Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN DEDICATED EQUITY FUND

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Meezan Dedicated Equity Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2025 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 12, 2025

Dr. Muhammad Imran Usmani

Jamia Darul Uloom Karachi
Korangi Industrial Area Karachi, Pakistan
Postal Code 75180
Tel: +92 21 35123225
Fax: +92 21 5040234
Email: miu786@gmail.com

Report of the Shariah Advisor – Meezan Dedicated Equity Fund (MDEF)

August 12, 2025/Safar 17, 1447 AH

Alhamdulillah, the period from July 1, 2024 to June 30, 2025 was the Eighth year of operations of Meezan Dedicated Equity Fund (the “MDEF” or the “Fund”) under management of Al Meezan Investment Management Limited (the “Al Meezan” or the “Management Company”). I, Dr. Muhammad Imran Ashraf Usmani, am the Shariah Advisor of the Fund and issuing the Shariah Advisor Report (the “Report”) in accordance with the Trust Deed of the Fund. The scope of the Report is to express an opinion on the Shariah compliance of the Fund’s activity.

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

It is also the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the Management Company’s personnel and review of various documents prepared by the Management Company to comply with the Shariah Advisor’s guidelines.

We have reviewed and approved the modes of investments of the Fund in light of Shariah requirements. On the basis of information provided by the Management Company, all operations of the Fund for the year ended June 30, 2025 have been in compliance with the Shariah principles.

In light of the above, we hereby certify that all the provisions of the scheme and investments made on account of the Fund under management of Al Meezan are Shariah-compliant and in accordance with the criteria established by us.

We further confirm that earnings realized through prohibited sources were transferred to the charity.

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

And Allah knows the best.



Dr. Muhammad Imran Ashraf Usmani
Shariah Advisor

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

To The Board of Directors of Al Meezan Investment Management Limited

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) – External Shariah Audit of **Meezan Dedicated Equity Fund** (the Fund) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with the Shariah principles for the year ended **June 30, 2025**. This engagement was conducted by a multidisciplinary team including assurance practitioners and an independent Shariah scholar.

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2025) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under:

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

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

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2025, which are annexed.

3. Management's Responsibility for Shariah Compliance

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

4. Our Independence and Quality Control

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

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

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications, with Shariah principles in all material respects for the year ended June 30, 2025, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), '*Assurance Engagements Other than Audits or Reviews of Historical Financial Information*', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

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

6. Conclusion

Based on our reasonable assurance engagement, we report that, in our opinion, the Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2025 are in compliance with the Shariah principles (criteria specified in paragraph 2 above), in all material respects.

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



Chartered Accountants

Date: September 25, 2025

Place: Karachi



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Meezan Dedicated Equity Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Meezan Dedicated Equity Fund (the Fund / Collective Investment Scheme), which comprise the statement of assets and liabilities as at June 30, 2025, and the income statement, the statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2025, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 5 and 6 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks aggregated to Rs. 9.26 million and investments of the Fund amounted to Rs. 363.30 million as at June 30, 2025. The existence and proper valuation of investments and existence of balances with banks for the determination of NAV of the Fund as at June 30, 2025 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none">Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2025 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed;Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; andObtained bank reconciliation statements and tested reconciling items on a sample basis.

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Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>



Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 25, 2025
Karachi
UDIN: AR202510081aKsnZ4ISk



**MEEZAN DEDICATED EQUITY FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2025**

Note	2025	2024
----- (Rupees in '000) -----		
Assets		
Balances with banks	5 9,258	1,979
Investments	6 363,305	380,142
Dividend receivable	100	83
Receivable against sale of investments	-	2,126
Receivable from Al Meezan Investment Management Limited - Management Company	7 -	411
Advances, deposits and other receivable	8 3,289	2,570
Total assets	375,952	387,311
Liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	9 160	163
Payable to Central Depository Company of Pakistan Limited - Trustee	10 67	142
Payable to the Securities and Exchange Commission of Pakistan	11 61	63
Accrued expenses and other liabilities	12 2,438	2,084
Total liabilities	2,726	2,452
Net assets	373,226	384,859
Unit holders' fund (as per statement attached)	373,226	384,859
Contingencies and commitments	13	
(Number of units)		
Number of units in issue	4,895,959	5,685,035
(Rupees)		
Net asset value per unit	76.2315	67.6969

The annexed notes from 1 to 27 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN DEDICATED EQUITY FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

Note	2025	2024
	----- (Rupees in '000) -----	
Income		
Profit on savings accounts with banks	944	1,043
Dividend income	17,193	26,566
Net realised gain on sale of investments	72,791	91,329
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2 78,027	124,668
Total income	<u>168,955</u>	<u>243,606</u>
Expenses		
Remuneration of Al Meezan Investment Management Limited - Management Company	9.1 6,959	8,009
Sindh sales tax on remuneration of the Management Company	9.2 1,044	1,041
Allocated expenses	9.3 208	271
Sindh sales tax on allocated expense	9.2 31	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1 654	801
Sindh sales tax on remuneration of the Trustee	10.2 98	104
Annual fees to the Securities and Exchange Commission of Pakistan	11.1 311	380
Brokerage expense	2,708	1,217
Charity expense	12.1 947	942
Auditors' remuneration	14 729	500
Printing expense	40	-
Fees and subscription	568	528
Legal and professional charges	73	-
Bank and settlement charges	506	429
Total expenses	<u>14,876</u>	<u>14,222</u>
Net income for the year before taxation	<u>154,079</u>	<u>229,384</u>
Taxation	16 -	-
Net income for the year after taxation	<u>154,079</u>	<u>229,384</u>
Allocation of net income for the year		
Net income for the year after taxation	154,079	229,384
Income already paid on units redeemed	(146,588)	(64,792)
	<u>7,491</u>	<u>164,592</u>
Accounting income available for distribution		
- Relating to capital gains	7,491	164,592
- Excluding capital gains	-	-
	<u>7,491</u>	<u>164,592</u>

The annexed notes from 1 to 27 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN DEDICATED EQUITY FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025**



Meezan
Dedicated Equity
Fund

	2025	2024
	----- (Rupees in '000) -----	
Net income for the year after taxation	154,079	229,384
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>154,079</u>	<u>229,384</u>

The annexed notes from 1 to 27 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN DEDICATED EQUITY FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

Note	2025	2024
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	154,079	229,384
Adjustments for:		
Profit on savings accounts with banks	(944)	(1,043)
Dividend income	(17,193)	(26,566)
Net unrealised appreciation on re-measurement of investments classified 'financial assets at fair value through profit or loss'	6.2 <u>(78,027)</u>	<u>(124,668)</u>
	57,915	77,107
Decrease in assets		
Investments - net	96,989	143,327
Receivable Against Al Meezan Investment Management Limited - Management Company	411	(411)
Deposit and other receivable	(717)	500
	96,683	143,416
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	(3)	(568)
Payable to Central Depository Company of Pakistan Limited - Trustee	(75)	66
Payable to the Securities and Exchange Commission of Pakistan	(2)	(65)
Accrued expenses and other liabilities	354	(492)
	274	(1,059)
Profit received on balances with banks	942	964
Dividend received	17,176	26,774
Net cash generated from operating activities	<u>172,990</u>	<u>247,202</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units - net of refund of capital	485,927	20,865
Payment against redemption and conversion of units	(651,473)	(258,844)
Dividend paid	(165)	(12,365)
Net cash used in financing activities	<u>(165,711)</u>	<u>(250,344)</u>
Net increase / (decrease) in cash and cash equivalents during the year	<u>7,279</u>	<u>(3,142)</u>
Cash and cash equivalents at the beginning of the year	1,979	5,121
Cash and cash equivalents at the end of the year	5.3 <u><u>9,258</u></u>	<u><u>1,979</u></u>

The annexed notes from 1 to 27 form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN DEDICATED EQUITY FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2025**



Meezan
Dedicated Equity
Fund

	2025			2024		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	(Rupees in '000)					
Net assets at the beginning of the year	976,812	(591,953)	384,859	1,149,999	(744,180)	405,819
Issuance of 6,321,345 units (2024: 368,091 units)						
- Capital value (at net asset value per unit at the beginning of the year)	427,936	-	427,936	14,721	-	14,721
- Element of income	175,099	-	175,099	6,159	-	6,159
Total proceeds on issuance of units	603,035	-	603,035	20,880	-	20,880
Redemption of 7,110,421 units (2024: 4,830,595 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(481,353)	-	(481,353)	(193,184)	-	(193,184)
- Element of loss	(23,532)	(146,588)	(170,120)	(868)	(64,792)	(65,660)
Total payments on redemption of units	(504,885)	(146,588)	(651,473)	(194,052)	(64,792)	(258,844)
Total comprehensive income for the year	-	154,079	154,079	-	229,384	229,384
Refund of Capital	(117,108)		(117,108)	(15)	-	(15)
Distribution during the year @ Rs 35.25 per unit declared on June 27, 2025 (2024: Rs. 4.00 per unit declared on June 28, 2024)	-	(165)	(165)	-	(12,365)	(12,365)
Net income for the year less distribution	(117,108)	153,914	36,805	(15)	217,019	217,004
Net assets at the end of the year	957,854	(584,627)	373,226	976,812	(591,953)	384,859
Accumulated loss brought forward						
- Realised loss		(716,621)			(739,064)	
- Unrealised income / (loss)		124,668			(5,116)	
		<u>(591,953)</u>			<u>(744,180)</u>	
Accounting income available for distribution						
- Relating to capital gains		7,491			164,592	
- Excluding capital gains		-			-	
		<u>7,491</u>			<u>164,592</u>	
Distribution during the year @ Rs 35.25 per unit declared on June 27, 2025 (2024: Rs. 4.00 per unit declared on June 28, 2024)		(165)			(12,365)	
Accumulated loss carried forward		<u>(584,627)</u>			<u>(591,953)</u>	
Accumulated loss carried forward						
- Realised loss		(662,654)			(716,621)	
- Unrealised income		78,027			124,668	
		<u>(584,627)</u>			<u>(591,953)</u>	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the year			<u>67.6969</u>			<u>39.9919</u>
Net asset value per unit at the end of the year			<u>76.2315</u>			<u>67.6969</u>

The annexed notes from 1 to 27 form an integral part of these financial statements.

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

Chief Executive Officer

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 under the Trust Act, 1882 on October 9, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 18, 2017 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.

In the year 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act). The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 16, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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. The investment objectives and policies are explained in the Fund's offering document.

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 Credit Rating Company Limited dated December 31, 2024 (2024: 'AM1' dated December 31, 2024) and by PACRA dated May 15, 2025 (2024: 'AM1' dated June 21, 2024). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PRESENTATION

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

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

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2024. However, these do not have any material impact on the Fund's financial statements and, therefore, have not been detailed in these financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2025. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

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

3.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires the management to exercise judgment in the application of the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors, including expectation of future events, that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both the current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 4.1 and 6).

3.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets has been disclosed in note 20.

3.6 Functional and presentation currency

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

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

4.1 Financial assets

4.1.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

4.1.2 Classification and subsequent measurement

4.1.2.1 Equity instruments

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

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

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

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

4.1.2.2 Cash and cash equivalents

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

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

4.1.3 Impairment

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

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

4.1.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

4.1.5 Derecognition

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

4.2 Financial liabilities

4.2.1 Classification and subsequent measurement

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value and subsequently stated at amortised cost.

4.2.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the Income Statement.

4.3 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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

4.4 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of any duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

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

4.7 Distribution to unit holders

Distribution to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

4.8 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.10 Revenue recognition

- Realised gains / (losses) arising on sale of investments are included in Income Statement and are recognised on the date when the transaction takes place;

- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise;
- Dividend income is recognised when the Fund's right to receive the same is established, i.e. on the commencement of book closure of the investee company / institution declaring the dividend; and
- Profit on savings account with banks is recognised on time proportion basis using the effective yield method.

4.11 Treatment of Shariah non-compliant Income

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

4.12 Expenses

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

4.13 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

5	BALANCES WITH BANKS	Note	2025 (Rupees in '000)	2024
	Balances with banks in:			
	Savings accounts	5.1	7,213	1,507
	Current accounts	5.2	2,045	472
			<u>9,258</u>	<u>1,979</u>

5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 3.25% (2024: 11.01%) per annum. Other savings accounts of the Fund have expected rates of profit ranging from 4.82% to 10.60% (2024: 8.00% to 19.25%) per annum.

5.2 This includes a balance maintained with Meezan Bank Limited (a related party).

5.3	Cash and cash equivalents	Note	2025 (Rupees in '000)	2024
	Balances with banks	5	<u>9,258</u>	<u>1,979</u>

6	INVESTMENTS	Note	2025	2024
			(Rupees in '000)	
	Investment at 'fair value through profit or loss'			
	Investment in Equity Securities - listed	6.1	<u>363,305</u>	<u>380,142</u>

6.1 Investment in Equity Securities - listed

Name of the investee company	As at July 1, 2024	Purchased during the year	Bonus shares	Sold / transferred during the year	As at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised (diminution) / appreciation as at June 30, 2025	Percentage in relation to		
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)
	(Number of shares)				(Rupees in '000)			%			
AUTOMOBILE ASSEMBLER											
Sazgar Engineering Works Limited	2,500	-	-	2,500	-	-	-	-	-	-	-
Al-Ghazi Tractors Limited	-	8,000	-	8,000	-	-	-	-	-	-	-
AUTOMOBILE PARTS & ACCESSORIES											
Ghandhara Tyre & Rubber Company Limited	-	65,000	-	65,000	-	-	-	-	-	-	-
COMMERCIAL BANKS											
Faysal Bank Limited	-	175,000	-	110,000	65,000	3,313	4,532	1,218	1.21	1.25	0.04
Meezan Bank Limited (a related party)	134,873	214,000	-	238,985	109,888	26,404	36,488	10,085	9.78	10.04	0.05
									10.99	11.29	0.10
CABLE & ELECTRICAL GOODS											
Pak Bektron Limited	-	75,000	-	75,000	-	-	-	-	-	-	-
CEMENT											
Cherat Cement Company Limited	76,581	34,000	-	62,210	48,371	10,853	14,042	3,189	3.76	3.86	0.25
D.G. Khan Cement Company Limited	75,000	230,000	-	255,000	50,000	7,279	8,278	999	2.22	2.28	0.11
Fauji Cement Company Limited	181,500	625,000	-	806,500	-	-	-	-	-	-	-
Kohat Cement Company Limited (note 6.1.5)	85,318	10,000	-	60,230	35,088	8,832	13,311	4,479	3.57	3.66	0.18
Lucky Cement Limited (note 6.1.1 and note 6.1.2)	32,274	147,366	-	56,965	122,675	29,282	43,579	14,297	11.68	12.00	0.42
Maple Leaf Cement Factory Limited	71,000	345,000	-	376,000	40,000	1,913	3,371	1,458	0.90	0.93	0.04
Power Cement Limited	-	300,000	-	300,000	-	-	-	-	-	-	-
Attock Cement Pakistan Limited (note 6.1.5)	-	17,000	-	5,000	12,000	1,992	3,511	1,520	0.94	0.97	0.01
									23.07	23.70	1.01
CHEMICAL											
Lucky Core Industries Limited	5,700	1,500	-	3,630	3,570	3,761	5,674	1,913	1.52	1.56	0.04
									1.52	1.56	0.04
ENGINEERING											
Crescent Steel & Allied Products Limited*	-	75,000	-	55,000	20,000	2,234	2,313	79	0.62	0.64	-
									0.62	0.64	-
FERTILIZER											
Engro Corporation Limited (note 6.1.4)	46,245	38,000	-	84,245	-	-	-	-	-	-	-
Falima Fertilizer Company Limited	-	70,500	-	70,500	-	-	-	-	-	-	-
Engro Fertilizers Limited	-	212,500	-	212,500	-	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	25,000	175,000	-	200,000	-	-	-	-	-	-	-
National Foods Limited (note 6.1.1)	-	50,000	-	10,000	40,000	10,526	13,089	2,564	3.51	3.60	0.17
									3.51	3.60	0.17
FOOD & PERSONAL CARE PRODUCTS											
The Organic Meat Company Limited	2,733	-	-	2,733	-	-	-	-	-	-	-
Treet Corporation Limited	-	425,000	-	425,000	-	-	-	-	-	-	-
Barkat Frisian Agro Limited	-	440,261	-	440,261	-	-	-	-	-	-	-
Fauji Foods Limited	-	200,000	-	200,000	-	-	-	-	-	-	-
GLASS & CERAMICS											
Tariq Glass Industries Limited	17,936	25,000	-	6,880	36,056	5,801	9,056	3,255	2.43	2.49	0.21
									2.43	2.49	0.21



Name of the investee company	As at July 1, 2024	Purchased during the year	Bonus shares	Sold / transferred during the year	As at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised (diminution) / appreciation as at June 30, 2025	Percentage in relation to		
									Net assets of the Fund	Total market value of investments	Paid-up capital of investee company (with face value of investment)
	(Number of shares)				(Rupees in '000)			%			
INV. BANKS / INV. COS. / SECURITIES COS.											
Engro Holdings Limited* (note 6.1.4)	-	126,765	-	83,985	42,780	7,238	7,810	571	2.09	2.15	-
									2.09	2.15	-
LEATHER & TANNERIES											
Service Global Footwear Limited	24,113	-	-	24,113	-	-	-	-	-	-	-
Pakistan Aluminium Beverage Cans Limited	18,552	-	-	18,552	-	-	-	-	-	-	-
OIL & GAS EXPLORATION COMPANIES											
Mari Energies Limited (formerly Mari Petroleum Company Limited) (note 6.1.3)	15,890	52,600	81,120	99,730	49,880	23,475	31,269	7,794	9.23	8.61	0.04
Oil & Gas Development Company Limited (note 6.1.2)	285,420	190,000	-	285,390	190,030	34,795	41,913	7,117	11.23	11.53	0.04
Pakistan Petroleum Limited	328,244	245,329	-	573,573	-	-	-	-	-	-	-
									20.46	20.14	0.08
OIL & GAS MARKETING COMPANIES											
Attock Petroleum Limited	5,000	5,000	-	10,000	-	-	-	-	-	-	-
Pakistan State Oil Company Limited	73,072	95,000	-	85,408	82,664	25,306	31,208	5,902	8.36	8.59	0.18
Sui Southern Gas Company Limited	-	400,000	-	400,000	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	187,150	110,000	-	139,242	157,908	11,626	18,429	6,804	4.94	5.07	0.25
									13.30	13.66	0.43
PAPER, BOARD & PACKAGING											
Century Paper Limited	50,000	50,000	-	100,000	-	-	-	-	-	-	-
Packages Limited	7,624	8,180	-	3,700	12,104	5,974	6,713	739	1.80	1.85	0.14
									1.80	1.85	0.14
PHARMACEUTICALS											
The Searle Company Limited	40,000	173,000	-	213,000	-	-	-	-	-	-	-
Hightnoon Laboratories Limited	-	8,000	-	3,180	4,820	3,914	4,762	848	1.28	1.31	0.09
AGP Limited	-	80,000	-	60,000	20,000	3,695	3,819	124	1.02	1.05	0.01
Haleon Pakistan Limited	-	18,500	-	12,500	6,000	4,795	4,418	(377)	1.18	1.22	0.01
Glaxosmithkline Pakistan Limited	-	20,000	-	20,000	-	-	-	-	-	-	-
Citi Pharma Ltd.	-	50,000	-	-	50,000	5,153	4,199	(954)	1.12	1.16	0.22
									4.60	4.74	0.33
REAL ESTATE INVESTMENT TRUST											
TR. Reit Fund I	54,000	-	-	54,000	-	-	-	-	-	-	-
POWER GENERATION & DISTRIBUTION											
K-Electric Limited (note 6.1.1)	850,000	3,300,000	-	2,074,260	2,075,740	9,705	10,898	1,192	2.92	3.00	0.08
The Hub Power Company Limited	299,655	395,000	-	474,694	219,961	29,285	30,313	1,028	8.12	8.34	0.17
									11.04	11.34	0.25
REFINERY											
Attock Refinery Limited	6,500	11,000	-	17,500	-	-	-	-	-	-	-
Cherryton PK Limited	-	1,700,000	-	1,700,000	-	-	-	-	-	-	-
Pakistan Refinery Limited	40,000	-	-	40,000	-	-	-	-	-	-	-
TECHNOLOGY & COMMUNICATION											
Air Link Communication Limited	30,000	-	-	30,000	-	-	-	-	-	-	-
Systems Limited (note 6.1.1)	48,721	57,924	-	55,490	51,155	5,223	5,491	257	1.47	1.51	0.18
NetSol Technologies Limited	-	15,000	-	15,000	-	-	-	-	-	-	-
Supamel Limited	21,400	100,000	-	-	121,400	2,903	4,829	1,926	1.29	1.33	0.09
									2.76	2.84	1.07
TEXTILE COMPOSITE											
Interloop Limited	113,324	-	-	113,324	-	-	-	-	-	-	-
Total as at June 30, 2025						285,278	363,305	78,027	98.18	100.00	
Total as at June 30, 2024						255,474	380,142	124,668	98.78	100.00	

* Nil figures due to rounding off difference

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

Name of investee company	Nominal value per share as on June 30, 2025 --- Rupees ---	Subdivision of shares during the year	Additional number of shares received on account of subdivision of shares during the year
National Foods Limited	5.00	-	-
Lucky Cement Limited	2.00	On April 28, 2025 from Rs. 10 to Rs. 2 per share	98,140
Systems Limited	2.00	On June 2, 2025 from Rs. 10 to Rs. 2 per share	40,924
K-Electric Limited	3.50	-	-

6.1.2 Investments include 10,000 shares of Lucky Cement Limited and 120,000 shares of Oil and Gas Development Company Limited having market value of Rs. 3.55 million and Rs. 26.47 million respectively as at June 30, 2025 (2024: 33,000 shares of Engro Corporation Limited and 120,000 shares of Oil and Gas Development Company Limited having market value of Rs. 10,979 million and Rs. 16,244 million respectively) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

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

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

During the year, Mari Energies Limited (formerly Mari Petroleum Company Limited) has withheld 8,112 shares from the bonus shares issued to the Fund. The market value of bonus shares withheld amounts to Rs. 5.09 million as at June 30, 2025.

6.1.4 During the year, Engro Corporation Limited (ENGRO) has been merged with and into Engro Holdings Limited (ENGROH) (formerly known as Dawood Hercules Corporation Limited), upon sanction by the Honourable Islamabad High Court on July 18, 2024. In accordance with the Scheme of Arrangement, and in consideration for the merger in terms thereof, ENGROH will allot and issue ordinary shares of ENGROH to the ENGRO Shareholders (being the members of ENGRO, other than ENGROH and its nominees, if any), based on a swap ratio of 2.24407865 ENGROH shares for each ordinary share held by them (subject to the adjustment of fractional shares), in the manner detailed in the Scheme.

As a result of the above arrangement, the Fund received 79,765 shares of Engro Holdings Limited in lieu of 35,545 shares of Engro Corporation Limited based on the ratio of DH Corp (renamed as Engro Holdings Limited) Shares to Engro Corp Shares Under the Scheme (i.e. 2.24407865).

6.1.5 On June 02, 2025, Pakistan Stock Exchange (PSX) issued a notice no PSX/N-570 regarding the recomposition exercise carried out by PSX on KMI All Share Islamic Index. In the stated notice, Attock Cement Limited and Kohat Cement Company Limited were declared as non-compliant of the Index and hence are considered to be the non-compliant investments as at June 30, 2025. However, these shares were compliant according to the KMI All Share Islamic Index at the time of investment. The Fund may retain these previously purchased shares until the next two quarters after Shariah status is updated. The Fund is required to disclose the shariah non-compliant investments in accordance with the additional disclosure requirements enacted vide S.R.O.600(I)/2025.

6.2	Net unrealised appreciation on re-measurement of investments classified 'as financial assets at fair value through profit or loss'	Note	2025 (Rupees in '000)	2024
	Market value of investments	6.1	363,305	380,142
	Less: carrying value of investments	6.1	285,278	255,474
			<u>78,027</u>	<u>124,668</u>
7	RECEIVABLE AGAINST AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
	Reimbursement from the Management Company	7.1	-	411
7.1	This represents reimbursement in respect of selling and marketing expense.			
8	ADVANCES, DEPOSITS AND OTHER RECEIVABLE			
	Profit receivable on balances with banks		137	135
	Advance tax	8.1	1,296	1,296
	Security deposit with Central Depository Company of Pakistan Limited		103	103
	Security deposit with National Clearing Company of Pakistan Limited		1,036	1,036
	Receivable against withholding tax on bonus shares	8.2	717	-
			<u>3,289</u>	<u>2,570</u>

8.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, during prior years, withholding tax on dividend and profit on bank deposits paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on dividends and profit on bank deposits amounts to Rs 1.296 million (2024: Rs. 1.296 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividends and profit on bank deposits has been shown as other receivables as at June 30, 2025 in the opinion of the Management Company, the amount of tax deducted at source will be refunded.

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

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

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

As at June 30, 2025, the Fund has recorded an amount of Rs. 0.717 million as receivables against withholding tax on bonus shares in respect of bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares.

	Note	2025	2024
(Rupees in '000)			
9	PAYABLE TO AI MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY		
	Remuneration payable	139	101
	Sindh Sales Tax payable on remuneration of the Management Company	21	13
	Allocated expenses payable	-	49
		160	163

- 9.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the following rates per annum of the average annual net assets of the Fund during the year ended June 30, 2025:

Rate applicable from May 19, 2025 to June 30, 2025	Rate applicable from July 01, 2024 to May 18, 2025	Rate applicable from July 01, 2023 to June 30, 2024
3% of the average annual net assets of the Fund	2% of the average annual net assets of the Fund	2% of the average annual net assets of the Fund

The remuneration is payable to the Management Company monthly in arrears.

During the year ended June 30, 2025, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, introduced the management fee cap of 3% to be calculated on a per annum basis of the average daily net assets, applicable to an "Equity Scheme". This revision is effective from July 1, 2025. As at June 30, 2025 the Fund is not subject to a management fee cap.

- 9.2 Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of Management Company has been enhanced from the rate of 13% to 15% (2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

Further, Sindh sales tax at the rate of 15% has also been levied on any reimbursable expenditure to the Management Company effective July 1, 2024 vide Sindh Finance Act, 2024.

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

The Management Company, based on its own discretion, has charged such expenses at the following rates during the year ended June 30, 2025, subject to total expense charged being lower than actual expense incurred:

Rate applicable from July 01, 2024 to May 18, 2025	Rate applicable from February 01, 2024 to June 30, 2024	Rate applicable from July 01, 2023 to January 31, 2024
0.07% of the average annual net assets of the Fund	0% of the average annual net assets of the Fund	0.11% of the average annual net assets of the Fund

Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to registrar services, accounting, operation and valuation services has been excluded. This amendment was effective immediately upon its release on April 10, 2025, except where a later date was explicitly approved by the SECP.

	Note	2025	2024
(Rupees in '000)			
10	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		
	Remuneration payable	58	126
	Sindh sales tax payable on remuneration of the Trustee	9	16
		67	142

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

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

- 10.2 Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of the Trustee has been enhanced from the rate of 13% to 15% (2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)	Note	2025 (Rupees in '000)	2024
Fee Payable	11.1	<u>61</u>	<u>63</u>

- 11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.095% per annum (2024: 0.095%) of the daily net assets during the year. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

12 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2025 (Rupees in '000)	2024
Auditors' remuneration payable		572	387
Shariah advisor fee payable		460	475
Charity payable	12.1	829	933
Brokerage payable		<u>577</u>	<u>289</u>
		<u>2,438</u>	<u>2,084</u>

- 12.1 According to the instructions of the Shariah Advisor, any income earned by the Fund from investments whereby portion of the investment of investee company has been made in Shariah non-compliant avenues, such proportion of income of the Fund from those investments should be given away for charitable purposes directly by the Fund.

Accordingly, during the year ended June 30, 2025, Non-Shariah Compliant income amounting to Rs. 0.947 million (2024: Rs. 0.942 million) was charged as an expense in the books of the Fund, and Rs. 1.05 million was disbursed to following charitable welfare organisations respectively:

S. No.	Charitable Organisations	Amount Rupees in '000
1	Afzaal Memorial Trust	933
2	The Honour Foundation	118
	Total	<u>1,051</u>

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2025.

14 AUDITORS' REMUNERATION	2025 (Rupees in '000)	2024
Annual audit fee	395	242
Fee for half yearly review of condensed interim financial statements	209	85
Out of pocket expenses and Sindh sales tax	39	123
Fee for other Certification	<u>86</u>	<u>50</u>
	<u>729</u>	<u>500</u>

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2025 is 4.55% (2024: 3.55%) which includes government levies which is 0.56% (2024: 0.42%) such as sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% (excluding govt. levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Equity Scheme'.

During the year ended June 30, 2025, the SECP, vide S.R.O. 600(I)/2025 dated April 10, 2025, has removed the TER limit with effect from July 1, 2025. The TER limit, applicable previously, has been replaced with the management fee cap which has been disclosed in note 9.1 of these financial statements.

16 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2025 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

17 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

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

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

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

Allocated expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

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

Balances as at year end	2025	2024
	(Rupees in '000)	
Al Meezan investment Management Limited - Management Company		
Remuneration payable	139	101
Sindh sales tax payable on remuneration of the Management Company	21	13
Allocated expenses payable	-	49
Reimbursement from the Management Company	-	411
Meezan Bank Limited		
Balances with bank	1,301	722
Profit receivable on savings account	23	7
Investments of 109,888 shares (2024: 134,873 shares)	36,488	32,287
Shariah advisor fee payable	460	475
Dividend receivable	-	14,398



Balances as at year end	2025	2024
	(Rupees in '000)	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	58	126
Sindh sales tax payable on remuneration of the Trustee	9	16
Security deposit	103	103
National Clearing Company of Pakistan Limited		
Security deposit with National Clearing Company of Pakistan Limited	1,036	1,036
Meezan Financial Planning Fund of Funds - MAAP I		
Investment of 1,242,486 units (2024: 780,483 units)	94,717	52,836
Meezan Strategic Allocation Fund - MSAP - I		
Investment of 1,006,807 units (2024: 1,054,075 units)	76,750	71,358
Meezan Strategic Allocation Fund - MSAP - II		
Investment of 463,062 units (2024: 7,786 units)	35,300	527
Meezan Strategic Allocation Fund - MSAP - III		
Investment of 1,069,551 units (2024: 852,054 units)	81,533	57,681
Meezan Strategic Allocation Fund - MSAP - IV		
Investment of 693,548 units (2024: 548,859 units)	52,870	37,156
Meezan Strategic Allocation Fund - MSAP - V		
Investment of 413,599 units (2024: 109,321 units)	31,529	7,401
Meezan Strategic Allocation Fund II - MCPP - IV		
Investment of Nil units (2024: 1,309,568 units)	-	88,654
Meezan Strategic Allocation Fund III - MCPP - IX		
Investment of Nil units (2024: 1,022,889 units)	-	69,246
Engro Fertilizers Limited*		
Investment of nil units (2024: 46,245 units)	-	15,386
Transactions during the year		
	2025	2024
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration of the Management Company	6,959	8,009
Sindh sales tax on remuneration of the Management Company	1,044	1,041
Allocated expenses	208	271
Sindh sales tax on allocated expenses	31	-
Units issued to unitholders on behalf of the Management Company	6,088	-
Meezan Bank Limited		
Profit on savings account	320	160
Shares purchased: 214,000 shares (2024: Nil shares)	51,407	-
Shares sold: 238,985 shares (2024: 142,000 shares)	57,185	21,416
Dividend income	2,827	3,426
Shariah advisor fee	537	497
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	654	801
Sindh Sales Tax on remuneration of the Trustee	98	104
CDS charges	79	34



Transactions during the year

	2025	2024
	(Rupees in '000)	
National Clearing Company of Pakistan Limited		
NCCPL Charges	426	373
Meezan Financial Planning Fund of Funds - MAAP - I		
Units issued: 1,404,790 units (2024: 25,099 units)	136,826	1,700
Units redeemed: 942,787 units (2024: 123,529 units)	102,366	6,000
Refund of capital	29,761	-
Meezan Strategic Allocation Fund - MSAP - I		
Units issued: 1,220,514 units (2024: 33,897 units)	118,907	2,295
Units redeemed: 1,267,782 units (2024: 1,133,253 units)	121,501	58,920
Refund of capital	24,116	-
Meezan Strategic Allocation Fund - MSAP - II		
Units issued: 837,977 units (2024: 185,521 units)	80,168	8,517
Units redeemed: 382,701 units (2024: 962,252 units)	41,044	45,411
Refund of capital	11,092	15
Meezan Strategic Allocation Fund - MSAP - III		
Units issued: 1,349,137 units (2024: 27,400 units)	126,849	1,855
Units redeemed: 1,131,640 units (2024: 336,241 units)	111,790	18,060
Refund of capital	25,619	-
Meezan Strategic Allocation Fund - MSAP - IV		
Units issued: 776,441 units (2024: 17,650 units)	75,520	1,195
Units redeemed: 631,752 units (2024: 297,152 units)	66,837	17,310
Refund of capital	16,613	-
Meezan Strategic Allocation Fund - MSAP - V		
Units issued: 687,921 units (2024: 3,516 units)	61,784	238
Units redeemed: 383,643 units (2024: 57,935 units)	38,913	3,080
Refund of capital	9,907	-
Meezan Strategic Allocation Fund - MCPP - III		
Units redeemed: Nil units (2024: 788,936 units)	-	47,708
Meezan Strategic Allocation Fund II - MCPP - IV		
Units issued: 27,091 units (2024: 42,113 units)	1,801	2,852
Units redeemed: 1,336,659 units (2024: 265,505 units)	96,866	13,340
Meezan Strategic Allocation Fund II - MCPP - V		
Units issued: 1,365 units (2024: Nil units)	91	-
Units redeemed: 1,365 units (2024: 271,418 units)	131	15,478
Meezan Strategic Allocation Fund II - MCPP - VII		
Units redeemed: Nil units (2024: 21,094 units)	-	1,437
Meezan Strategic Allocation Fund III - MCPP - IX		
Units issued: 9,204 units (2024: 32,894 units)	612	2,227
Units redeemed: 1,032,093 units (2024: 573,281 units)	72,026	32,100
Meezan Balanced Fund		
Shares purchased under negotiated deal market (NDM) transaction (2024: Nil)	844	-

Transactions during the year

	2025 (Rupees in '000)	2024
Ghandhara Tyre & Rubber Company Limited		
Shares purchased during the year: 65,000 shares (2024: Nil)	2,861	-
Shares sold during the year: 65,000 shares (2024: Nil)	3,120	-
Engro Fertilizers Limited*		
Shares purchased: 192,500 shares (2024: 2,222 shares)	37,005	17,554
Shares sold: 169,170 shares (2024: 93,011 shares)	35,022	24,348
Dividend Income	706	1,231

* Current year balance has not been presented as the person was not classified as a related party / connected person of the Fund with effect from March 24, 2025. However, transactions with this related party till this date have been accordingly disclosed.

18 FINANCIAL INSTRUMENTS BY CATEGORY

	2025		
	At amortised cost	At fair value through profit or loss	Total
	(Rupees in '000)		
Financial assets			
Balances with banks	9,258	-	9,258
Investments	-	363,305	363,305
Dividend receivable	100	-	100
Deposits and other receivable	1,276	-	1,276
	<u>10,634</u>	<u>363,305</u>	<u>373,939</u>
Financial liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	160	-	160
Payable to Central Depository Company of Pakistan Limited - Trustee	67	-	67
Accrued expenses and other liabilities	2,438	-	2,438
	<u>2,665</u>	<u>-</u>	<u>2,665</u>
	2024		
	At amortised cost	At fair value through profit or loss	Total
	(Rupees in '000)		
Financial assets			
Balances with banks	1,979	-	1,979
Investments	-	380,142	380,142
Dividend receivable	83	-	83
Receivable against sale of investments	2,126	-	2,126
Deposits and other receivable	1,274	-	1,274
Receivable Against AI Meezan Investment Management Limited - Management Company	411	-	411
	<u>5,873</u>	<u>380,142</u>	<u>386,015</u>
Financial liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	163	-	163
Payable to Central Depository Company of Pakistan Limited - Trustee	142	-	142
Accrued expenses and other liabilities	2,084	-	2,084
	<u>2,389</u>	<u>-</u>	<u>2,389</u>

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee and regulations laid down by the SECP.

Market risk comprises of three types of risks: profit rate risk, currency risk, and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2025, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net (loss) / income for the year and net assets of the Fund would have been higher / lower by Rs. 0.072 million (2024: Rs. 0.027 million).

b) Sensitivity analysis for fixed rate instrument

As at June 30, 2025, the Fund does not hold any fixed rate instrument that may expose the Fund to fixed interest rate risk.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2025 can be determined as follows:

As at June 30, 2025					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
(Rupees in '000)					
Financial assets					
Balances with banks	3.25% - 10.60%	7,213	-	2,045	9,258
Investments		-	-	363,305	363,305
Dividend receivable		-	-	100	100
Deposits and other receivable		-	-	1,276	1,276
		7,213	-	366,726	373,939
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company		-	-	160	160
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	67	67
Accrued expenses and other liabilities		-	-	2,438	2,438
		-	-	2,665	2,665
On-balance sheet gap (a)		7,213	-	364,061	371,274
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total profit rate sensitivity gap (a+b)		7,213	-	-	-
Cumulative profit rate sensitivity gap		7,213	7,213	7,213	-

As at June 30, 2024						
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
	(Rupees in '000)					
Financial assets						
Balances with banks	8.00% - 19.25%	1,507	-	-	472	1,979
Investments		-	-	-	380,142	380,142
Dividend receivable		-	-	-	83	83
Receivable against sale of investments		-	-	-	2,126	2,126
Receivable against Al Meezan Investment Management Limited - Management Company		-	-	-	411	411
Deposits and other receivable		-	-	-	1,274	1,274
		1,507	-	-	384,508	386,015
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	163	163
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	142	142
Accrued expenses and other liabilities		-	-	-	2,084	2,084
		-	-	-	2,389	2,389
On-balance sheet gap (a)		1,507	-	-	382,119	383,626
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		1,507	-	-		
Cumulative profit rate sensitivity gap		1,507	1,507	1,507		

(ii) Currency risk

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

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

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

In case of 1% increase / decrease in KMI All Share Index on June 30, 2025, with all other variables held constant, the total comprehensive (loss) / income of the Fund for the year would increase / decrease by Rs. 3.633 million (2024: Rs. 3.801 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as 'financial assets at fair value through profit or loss'.

The analysis is based on the assumption that equity index had increased / decreased by 1% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI All Share Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI All Share Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI All Share Index.

19.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemption requests during the year ended June 30, 2025.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month:

As at June 30, 2025						
Within 1 month	More than one month and upto three	More than three months and upto one	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	9,258	-	-	-	-	9,258
Investments	-	-	-	-	363,305	363,305
Dividend receivable	100	-	-	-	-	100
Deposits and other receivable	137	-	-	-	1,139	1,276
	9,495	-	-	-	364,444	373,939
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	160	-	-	-	-	160
Payable to Central Depository Company of Pakistan Limited - Trustee	67	-	-	-	-	67
Accrued expenses and other liabilities	1,406	572	460	-	-	2,438
	1,633	572	460	-	-	2,665
Net financial assets / (liabilities)	7,862	(572)	(460)	-	364,444	371,274

As at 30 June, 2024						
Within 1 month	More than one month and upto three	More than three months and upto one	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	1,979	-	-	-	-	1,979
Investments	-	-	-	-	380,142	380,142
Dividend receivable	83	-	-	-	-	83
Receivable against sale of investments	2,126	-	-	-	-	2,126
Receivable Against Al Meezan Investment Management Limited - Management Company	-	-	411	-	-	411
Deposits and other receivable	135	-	-	-	1,139	1,274
	4,323	-	411	-	381,281	386,015
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	163	-	-	-	-	163
Payable to Central Depository Company of Pakistan Limited - Trustee	142	-	-	-	-	142
Accrued expenses and other liabilities	1,222	387	475	-	-	2,084
	1,527	387	475	-	-	2,389
Net financial assets / (liabilities)	2,796	(387)	(64)	-	381,281	383,626

19.3 Credit risk

19.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arises from deposits with banks and financial institutions, profit receivable on bank deposits, receivable against sale of investments and dividend receivable.

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the investment manager monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The table below analyses the Fund's maximum exposure to credit risk:

	2025		2024	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees in '000)			
Balances with banks	9,258	9,258	1,979	1,979
Investments	363,305	-	380,142	-
Dividend receivable	100	100	83	83
Receivable against sale of investments	-	-	2,126	2,126
Management Company	-	-	411	411
Deposits and other receivable	1,276	1,276	1,274	1,274
	<u>373,939</u>	<u>10,634</u>	<u>386,015</u>	<u>5,873</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2025 is the carrying amount of the financial assets. Investment in equity securities, however, are not exposed to credit risk and have been excluded from the above analysis.

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

19.3.2 Credit quality of financial assets

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

Rating	% of financial assets exposed to credit risk	
	2025	2024
AAA	14.05%	36.48%
AA	1.09%	5.10%
AA+	62.88%	31.73%
A+	0.00%	26.68%
AA-	21.98%	0.00%
	<u>100.00%</u>	<u>100.00%</u>

19.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2025 and June 30, 2024 are unsecured and are not impaired.

20 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

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

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

As at June 30, 2025 and June 30, 2024, the Fund held the following financial instruments measured at fair value:

	2025			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Investment in Equity Securities - listed	363,305	-	-	363,305

	2024			
ASSETS	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Investment in Equity Securities - listed	380,142	-	-	380,142

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

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

There were no transfers between levels during the year.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

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

In accordance with the risk management policies as stated in note 19, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

22 UNIT HOLDING PATTERN OF THE FUND

Category	2025			2024		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Associated Companies	8	373,226	100.00%	8	384,859	100.00%

23 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2025		2024	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Taurus Securities Limited	11.95%	Taurus Securities Limited	13.54%
Top Line Securities (Private) Limited	6.01%	Aba Ali Habib Securities Pvt Ltd	6.47%
Standard Capital Securities	5.74%	JS Global Capital Ltd	6.01%
Rafi Securities (Pvt) Limited	5.40%	Arif Habib Limited	5.29%
Alpha Capital (Pvt) Limited	5.33%	BMA Capital Management Limited	5.18%
Fawad Yusuf Securitas (Pvt) Limited	5.32%	Ismail Iqbal Securities (Private) Limited	5.15%
Optimus Capital Management (Private) Limited	5.15%	Top Line Securities (Private) Limited	4.72%
AL Habib Capital Markets (Pvt) Ltd	4.96%	Darson Securities	3.97%
Spectrum Securities Limited	3.97%	Foundation Securities	3.95%
Intermarket Securities Limited	3.91%	AL Habib Capital Markets (Pvt) Ltd	3.89%

24 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Name	Designation	Qualification	Overall experience
Mr. Imtiaz Gadar, CFA	Chief Executive Officer	CFA / MBA	Twenty Two years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Twenty Nine years
Mr. Ahmed Hassan	Head of Equity	CFA / MBA	Eighteen years
Ms. Amreen Soorani	Head of Research	FCCA	Fifteen years
Mr. Faizan Saleem	Head of Fixed Income	CFA level II / MBA	Eighteen years
Mr. Asif Imtiaz	VP Investments / Fund Manager	CFA / MBA	Seventeen years
Mr. Akhtar Munir	Head of Risk Management	CFA / MBA, ACCA, FRM, FCMA	Twelve years
Mr. Ali Khan	Head of Product Development	CFA / FRM / MBA	Sixteen years

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

- Meezan Balanced Fund;
- Meezan Asset Allocation Fund;
- Meezan Financial Planning Fund of Funds;
- Meezan Strategic Allocation Fund;
- Meezan Strategic Allocation Fund - II;
- Meezan Strategic Allocation Fund - III ;and
- KSE Meezan Index Fund

25 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:



Name of Directors	Designation	Meeting held on				
		August 19, 2024	September 27, 2024	October 10, 2024	February 7, 2025	April 18, 2025
Mr. Irfan Siddiqui	Chairman	Yes	Yes	Yes	Yes	Yes
Mr. Ahmed Iqbal Rajani*	Non-Executive	Yes	Yes	Yes	No	No
Ms. Ayesha Umer*	Non-Executive	No	No	No	Yes	Yes
Ms. Danish Zuberi	Director	Yes	Yes	Yes	Yes	Yes
Mr. Feroz Rizvi	Director	Yes	Yes	Yes	Yes	Yes
Mr. Furquan Kidwai	Director	Yes	Yes	Yes	Yes	Yes
Mr. Imtiaz Gadar**	Officer	Yes	Yes	Yes	Yes	Yes
Mr. Saad Ur Rahman Khan	Non-Executive	Yes	Yes	Yes	Yes	Yes
Ms. Shazia Khurram	Non-Executive	Yes	Yes	No	Yes	Yes
Syed Amir Ali	Non-Executive	Yes	Yes	Yes	Yes	Yes
Syed Imran Ali Shah***	Non-Executive	No	Yes	Yes	Yes	Yes
Mr. Tariq Mairaj***	Non-Executive	Yes	No	No	No	No

* Mr. Ahmed Iqbal Rajani resigned from the Board on January 13, 2025, and Ms. Ayesha Umer was subsequently appointed on February 3, 2025.

** Mr. Imtiaz Gadar was appointed as Chief Executive Officer on August 1, 2024.

*** Mr. Tariq Mairaj resigned from the Board on September 10, 2024, and Syed Imran Ali Shah was subsequently appointed on September 18, 2024

26 GENERAL

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

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

27 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 18, 2025 by the Board of Directors of the Management Company.

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

Chief Executive Officer

Chief Financial Officer

Director



PERFORMANCE TABLE
MEEZAN DEDICATED EQUITY FUND

	2025	2024	2023
Net assets (Rs. '000) (ex-distribution)	373,226	384,859	405,819
Net assets value / redemption price per unit as at June 30 (Rs.) (ex-distribution)	-	-	-
Offer price per unit as at June 30, (Rs.) (ex-distribution)	76.2315	67.6969	39.9919
Highest offer price per unit (Rs.)	-	-	-
Lowest offer price per unit (Rs.)	78.8614	69.9918	41.3476
Highest redemption price per unit (Rs.)	115.3123	72.7480	44.0344
Lowest redemption price per unit (Rs.)	66.9128	41.3404	38.3423
Distribution (%)	111.4667	70.3628	42.5906
Interim	64.6813	39.9850	37.0852
Final	-	-	-
Date of distribution	70.5%	4.5%	-
Interim	-	-	-
Final	-	-	-
Income distribution (Rupees in '000)	27-Jun-25	28-Jun-24	-
Growth distribution (Rupees in '000)	117,274	12,380	-
Total return (%)	-	-	-
	65.72	74.90	(0.56)

	One Year	Two Years	Three Years
Average annual return as at June 30, 2025 (%)	65.72%	70.25%	42.31%

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



Al Meezan
Investment Management Ltd.

AM1
Rating by VIS & PACRA

POWER DRAWN FROM STARS

The Meezan Energy Fund broadens the horizon of sector-focused opportunities.

MEEZAN ENERGY FUND

The investment objective of the Fund is to seek long term capital appreciation through investments in Shariah Compliant equity stocks, primarily from the energy sector / segment / industry, as defined in the constitutive documents.



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited

Ground Floor, Block "B", Finance & Trade Centre, Shahrah-e-Faisal
Karachi 74400, Pakistan.

Phone (+9221) 35630722-6, 111-MEEZAN

Fax: (+9221) 35676143, 35630808

Website: www.almeezangroup.com

E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Irfan Siddiqui	Chairman
Ms. Ayesha Umer	Non-Executive Nominee Director- PKIC
Ms. Danish Zuberi	Independent Director
Mr. Feroz Rizvi	Independent Director
Mr. Furquan Kidwai	Independent Director
Mr. Imtiaz Gadar	Chief Executive Officer
Mr. Saad Ur Rahman Khan	Non-Executive Nominee Director- PKIC
Ms. Shazia Khurram	Non-Executive Nominee Director- MBL
Syed Amir Ali	Non-Executive Nominee Director- MBL
Syed Imran Ali Shah	Non-Executive Nominee Director- MBL

CHIEF FINANCIAL OFFICER

Mr. Muhammad Shahid Ojha

COMPANY SECRETARY

Syed Haseeb Ahmed Shah

BOARD AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Ms. Ayesha Umer	Member
Syed Imran Ali Shah	Member

BOARD RISK MANAGEMENT COMMITTEE

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

BOARD HUMAN RESOURCES & REMUNERATION COMMITTEE

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

BOARD IT COMMITTEE

Mr. Furquan R. Kidwai	Chairman
Mr. Imtiaz Gadar	Member
Mr. Faiz Ur Rehman	Subject Matter Expert

TRUSTEE

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

AUDITORS

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

SHARIAH AUDITORS

M/s. BDO Ebrahim & Co.
Chartered Accountants
2nd Floor, Block C, Lakson Square
Building No. 1, Sarwar Shaheed
Road Karachi -742000

LEGAL ADVISER

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

SHARIAH ADVISER

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

TRANSFER AGENT

Al Meezan Investment Management Limited

BANKERS TO THE FUND

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

REPORT OF THE FUND MANAGER Meezan Energy Fund (MEF)

Type of Fund

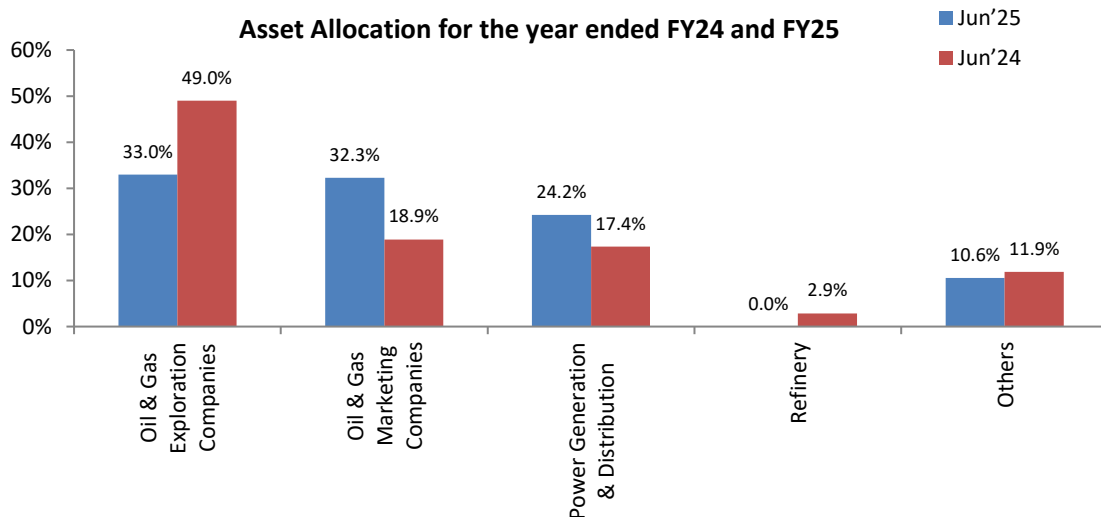
Sector specific open-end equity fund. The fund was launched on November 29, 2016.

Objective

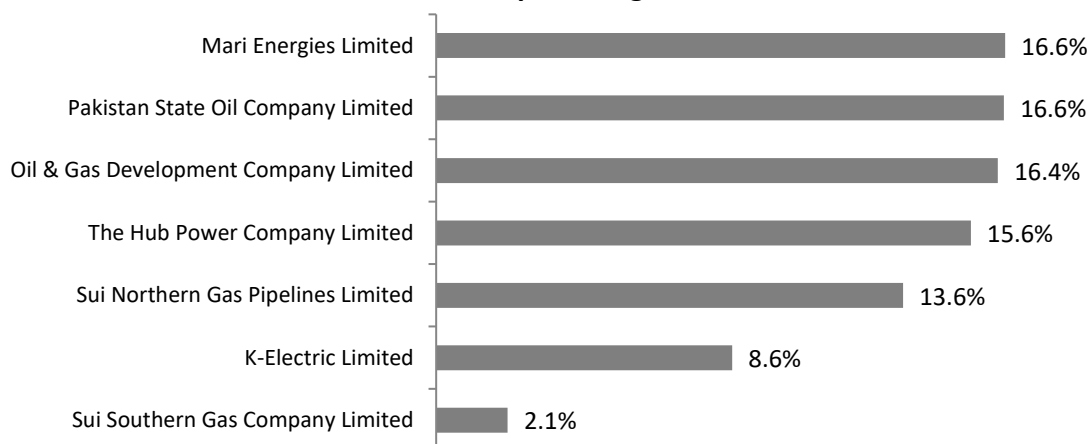
The objective of the fund is to seek long term capital appreciation through investments in Shariah compliant equity stocks, primarily from the energy sector / segment / industry, as defined in the constitutive documents

Strategy, Investment Policy and Asset Allocation

The performance of MEF is directly linked to the performance of the energy sector of the equity market. The fund manager, Al Meezan Investment Management Limited, actively manages the fund with an aim to provide maximum risk adjusted total return to the investors. To control risk, the exposure in growth stocks is balanced against that of high dividend stocks. Moreover, the fund manager strives to reduce equity exposure in times when the market is trading above valuations while increasing equity exposure near troughs.



Top Holdings





Performance Review

During FY25, Meezan Energy Fund (MEF) provided a positive return of 53.99% to its investors while the KSE Meezan Index (KMI 30) – Benchmark increased by 46.24% to close at 184,886 pts.

	<u>MEF</u>	<u>KMI-30 (Benchmark)</u>
Net Asset Value (NAV) as on June 30, 2024 – Rs.	34.10	126,424
Net Asset Value (NAV) as on June 30, 2025 – Rs.	49.49	184,886
Change (Points)	15.38	58,462
* Return During the Period	53.99%	46.24%

* The performance data has been computed NAV to NAV with dividend reinvested

The Fund earned a total income of Rs. 786 million in fiscal year 2025 as compared to total income of Rs. 496 million last year. Total income comprised of realized and unrealized gain on investments of Rs. 476 million and Rs. 152 million respectively. Dividend income contributed Rs.150 million to income, while profit on saving accounts with banks amounted to Rs. 8 million. After accounting for expenses of Rs. 139 million, the Fund posted a net income of Rs. 647 million. The net assets of the Fund as at June 30, 2025 were Rs. 3,324 million as compared to Rs. 1,136 million at the end of last year depicting an increase of 193%. The net asset value per unit as at June 30, 2025 was Rs. 49.4884 as compared to Rs. 34.1048 per unit as on June 30, 2024.

Charity Statement

The Fund purifies the income earned by setting aside an amount payable by the Management Company out of the income of the Trust to charitable / welfare organizations, in consultation with Shariah Advisor, representing income that is Haram. During the year ended June 30, 2025 an amount of Rs. 10 million was accrued as charity payable.

Distributions

An interim distribution in the form of cash dividend by the Fund during the fiscal year ended June 30, 2025 was Rs. 3.00 per unit (6.00%). Total distribution made by the Fund was Rs. 30 million.

SWWF Disclosure

Not Applicable

Breakdown of unit holdings by size:

(As on June 30, 2025)

Range (Units)	No. of investors
1 - 9,999	3,213
10,000 - 49,999	1,431
50,000 - 99,999	1,361
100,000 - 499,999	687
500,000 and above	857
Total	7,549



Summary of Actual Proxy Voted by the Fund

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

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcPakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN ENERGY FUND

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Meezan Energy Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2025 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 12, 2025

Dr. Muhammad Imran Usmani

Jamia Darul Uloom Karachi
Korangi Industrial Area Karachi, Pakistan
Postal Code 75180
Tel: +92 21 35123225
Fax: +92 21 5040234
Email: miu786@gmail.com

Report of the Shariah Advisor – Meezan Energy Fund (MEF)

August 12, 2025/Safar 17, 1447 AH

Alhamdulillah, the period from July 1, 2024 to June 30, 2025 was the Ninth year of operations of Meezan Energy Fund (the “MEF” or the “Fund”) under management of Al Meezan Investment Management Limited (the “Al Meezan” or the “Management Company”). I, Dr. Muhammad Imran Ashraf Usmani, am the Shariah Advisor of the Fund and issuing the Shariah Advisor Report (the “Report”) in accordance with the Trust Deed of the Fund. The scope of the Report is to express an opinion on the Shariah compliance of the Fund’s activity.

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

It is also the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the Management Company’s personnel and review of various documents prepared by the Management Company to comply with the Shariah Advisor’s guidelines.

We have reviewed and approved the modes of investments of the Fund in light of Shariah requirements. On the basis of information provided by the Management Company, all operations of the Fund for the year ended June 30, 2025 have been in compliance with the Shariah principles.

In light of the above, we hereby certify that all the provisions of the scheme and investments made on account of the Fund under management of Al Meezan are Shariah-compliant and in accordance with the criteria established by us.

We further confirm that earnings realized through prohibited sources were transferred to the charity.

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

And Allah knows the best.



Dr. Muhammad Imran Ashraf Usmani
Shariah Advisor



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

TO THE BOARD OF DIRECTORS OF AL MEEZAN INVESTMENT MANAGEMENT LIMITED

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of **Meezan Energy Fund** (the Fund) managed by Al Meezan Investment Management Limited (the Management Company) for assessing compliance of the Fund financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2025. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2025) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under;

- 1) Essentials, Regulations, Instructions and Guidelines issued by the SECP;
- 2) The rulings of Central Shariah Board as notified by the SECP;
- 3) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP;
- 4) Approvals and rulings given by the Shariah Board (SB) directives, regulations, instructions and guidelines issued in accordance with the rulings of SECP's Shariah Board.

The above criteria were evaluated, for their implications on the financial statements of the Fund for the year ended June 30, 2025.

3. Management's Responsibility for Shariah Compliance

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

4. Our Independence and Quality Management

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

The firm applies International Standard on Quality Management (ISQM) 1 “Quality Management for firms that perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2025 based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, ‘Assurance Engagements other than audits or reviews of historical financial statements’, issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depend on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund internal control. We have designed and performed necessary verification procedures on various financial arrangements, transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

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



6. Conclusion

Based on our reasonable assurance engagement we report that in our opinion, the Fund overall financial arrangements, contracts, transactions for the year ended June 30, 2025, are in compliance with the Shariah rules and principles, in all material respects.

Engagement Partner
Tariq Feroz Khan

Date: **23 SEP 2025**
Place: Karachi


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Meezan Energy Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Meezan Energy Fund (the Fund / Collective Investment Scheme), which comprise the statement of assets and liabilities as at June 30, 2025, and the income statement, the statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2025, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 5 and 6 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks aggregated to Rs. 116.72 million and investments of the Fund amounted to Rs. 3,210.52 million as at June 30, 2025. The existence and proper valuation of investments and existence of balances with banks for the determination of NAV of the Fund as at June 30, 2025 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none">Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2025 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed;Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; andObtained bank reconciliation statements and tested reconciling items on a sample basis.



Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 25, 2025
Karachi
UDIN: AR202510081XMT13CArY



**MEEZAN ENERGY FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2025**

	Note	2025 (Rupees in '000)	2024
Assets			
Balances with banks	5	116,719	25,619
Investments	6	3,210,516	1,154,088
Receivable against conversion of units		242,978	8,976
Dividend receivable		357	299
Receivable against sale of investments		11,888	115,695
Advance, deposits and other receivable	7	6,882	5,030
Total assets		3,589,340	1,309,707
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	8	3,618	2,246
Payable to Central Depository Company of Pakistan Limited - Trustee	9	393	212
Payable to the Securities and Exchange Commission of Pakistan	10	246	102
Dividend payable		-	1,952
Payable to Meezan Bank Limited		462	93
Payable against redemption and conversion of units		231,374	128,720
Accrued expenses and other liabilities	11	29,271	40,018
Total liabilities		265,364	173,343
Net assets		3,323,976	1,136,364
Unit holders' fund (as per statement attached)		3,323,976	1,136,364
Contingencies and commitments	12		
		(Number of units)	
Number of units in issue		67,166,775	33,319,811
		(Rupees)	
Net asset value per unit		49.4884	34.1048

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

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

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN ENERGY FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025 (Rupees in '000)	2024
Income			
Net realised gain on sale of investments		475,904	283,395
Dividend income		150,050	68,884
Profit on savings accounts with banks		8,049	5,853
		<u>634,003</u>	<u>358,132</u>
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	151,791	137,781
Other income		14	
Total income		<u>785,808</u>	<u>495,913</u>
Expenses			
Remuneration of Al Meezan Investment Management Limited - Management Company	8.1	55,653	19,079
Sindh Sales Tax on remuneration of the Management Company	8.2	8,348	2,480
Allocated expenses	8.3	1,620	475
Sindh Sales Tax on allocated expenses	8.2	243	-
Selling and marketing expenses	8.4	13,013	4,134
Sindh Sales Tax on selling and Marketing expenses	8.2	1,952	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	3,688	1,776
Sindh Sales Tax on remuneration of the Trustee	9.2	553	231
Annual Fee to the Securities and Exchange Commission of Pakistan	10.1	2,555	906
Auditors' remuneration	13	845	444
Charity expense	11.1	10,303	3,641
Fees and subscription		569	570
Brokerage expense		37,704	8,654
Bank and settlement charges		2,133	815
Printing charges		40	-
Legal and professional charges		73	-
Total expenses		<u>139,292</u>	<u>43,205</u>
Net income for the year before taxation		<u>646,516</u>	<u>452,708</u>
Taxation	15	-	-
Net income for the year after taxation		<u>646,516</u>	<u>452,708</u>
Allocation of net income for the year			
Net income for the year after taxation		646,516	452,708
Income already paid on units redeemed		(314,105)	(317,168)
		<u>332,411</u>	<u>135,540</u>
Accounting income available for distribution			
- Relating to capital gains		332,411	135,540
- Excluding capital gains		-	-
		<u>332,411</u>	<u>135,540</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN ENERGY FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025**

	2025	2024
	(Rupees in '000)	
Net income for the year after taxation	646,516	452,708
Other comprehensive income	-	-
Total comprehensive income for the year	<u>646,516</u>	<u>452,708</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

MEEZAN ENERGY FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2025

	2025			2024		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	(Rupees in '000)					
Net assets at the beginning of the year	1,628,792	(492,428)	1,136,364	898,176	(446,221)	451,955
Issuance of units: 513,940,442 units (2024: 148,062,751 units)						
- Capital value (at net asset value per unit at the beginning of the year)	17,527,836	-	17,527,836	4,567,691	-	4,567,691
- Element of income	7,326,725	-	7,326,725	2,564,654	-	2,564,654
Total proceeds on issuance of units	24,854,561	-	24,854,561	7,132,345	-	7,132,345
Redemption of units: 480,093,478 units (2024:129,393,180 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(16,373,493)	-	(16,373,493)	(3,991,741)	-	(3,991,741)
- Element of loss	(6,443,978)	(314,105)	(6,758,083)	(2,112,521)	(317,168)	(2,429,689)
Total payments on redemption of units	(22,817,471)	(314,105)	(23,131,576)	(6,104,262)	(317,168)	(6,421,430)
Total comprehensive income for the year	-	646,516	646,516	-	452,708	452,708
Distribution during the year	-	(29,974)	(29,974)	-	(181,747)	(181,747)
Refund of capital during the year	(151,915)	-	(151,915)	(297,467)	-	(297,467)
Net income for the year less distribution	(151,915)	616,542	464,627	(297,467)	270,961	(26,506)
Net assets at the end of the year	3,513,967	(189,991)	3,323,976	1,628,792	(492,428)	1,136,364
Accumulated loss brought forward						
- Realised loss		(630,209)			(421,000)	
- Unrealised income / (loss)		137,781			(26,221)	
		(492,428)			(446,221)	
Accounting income available for distribution						
- Relating to capital gains		332,411			135,540	
- Excluding capital gains		-			-	
		332,411			135,540	
Distribution during the year @ Rs. 3.00 per unit (June 30, 2024: Rs. 23.6528 per unit) declared on June 27, 2025		(29,974)			(181,747)	
Accumulated loss carried forward		(189,991)			(492,428)	
Accumulated loss carried forward						
- Realised loss		(341,782)			(630,209)	
- Unrealised income / (loss)		151,791			137,781	
		(189,991)			(492,428)	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the year			34.1048			30.8497
Net asset value per unit at the end of the year			49.4884			34.1048

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



**MEEZAN ENERGY FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

	Note	2025 (Rupees in '000)	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year after taxation		646,516	452,708
Adjustments for:			
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	(151,791)	(137,781)
Dividend income		(150,050)	(68,884)
Profit on savings accounts with banks		(8,049)	(5,853)
		<u>336,626</u>	<u>240,190</u>
Increase in assets			
Investments - net		(1,800,830)	(686,570)
Advance, deposits and other receivable		(2,570)	(998)
		<u>(1,803,400)</u>	<u>(687,568)</u>
Increase in liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		1,372	1,465
Payable to Central Depository Company of Pakistan Limited - Trustee		181	130
Payable to the Securities and Exchange Commission of Pakistan		144	1
Payable to Meezan Bank Limited		369	93
Accrued expenses and other liabilities		(10,747)	36,327
		<u>(8,681)</u>	<u>38,016</u>
Dividend income received		149,992	68,840
Profit received on savings accounts with banks		8,767	4,949
		<u>(1,316,696)</u>	<u>(335,573)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units - net of refund of capital		24,468,644	6,841,552
Payment against redemption and conversion of units		(23,028,922)	(6,308,412)
Dividend paid		(31,926)	(179,795)
Net cash generated from financing activities		<u>1,407,796</u>	<u>353,345</u>
Net increase in cash and cash equivalents during the year		<u>91,100</u>	<u>17,772</u>
Cash and cash equivalents at the beginning of the year		25,619	7,847
Cash and cash equivalents at the end of the year	5	<u>116,719</u>	<u>25,619</u>

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

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**MEEZAN ENERGY FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Energy Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Company as the Management Company ('the Management Company') and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was executed under the Trust Act, 1882 on September 09, 2016 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 26, 2016 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 Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shariah-e-Faisal, Karachi 74400, Pakistan.

In the year 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act). The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 16, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

- 1.2 The objective of the Fund is to seek long term capital appreciation through investments in Shariah compliant equity stocks, primarily from the energy sector / segment / industry, as defined in the constitutive documents. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Meezan Bank Limited as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's offering document.
- 1.3 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. The Fund is categorised as an Open End Shariah Compliant (Islamic) Equity 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 Credit Rating Company Limited dated December 31, 2024 (2024: AM1 dated December 29, 2023) and by PACRA dated May 15, 2025 (2024: AM1 dated June 21, 2024). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are 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 and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have, therefore, not been disclosed in these financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2025. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

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

3.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires the management to exercise judgment in the application of the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors, including expectation of future events, that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both the current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 4.1 and 6).

3.5 Accounting convention

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

3.6 Functional and presentation currency

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

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

4.1 Financial assets

4.1.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

4.1.2 Classification and subsequent measurement

4.1.2.1 Equity instruments

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

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

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

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

4.1.2.2 Cash and cash equivalents

These comprise balances with banks in savings and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less.

4.1.3 Impairment (other than debt securities)

The fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets carried at amortised cost. The fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

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

4.1.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

4.1.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss arising on derecognition of financial assets is taken to the Income Statement.

4.2 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the Income Statement.

4.3 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.4 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of any duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

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

4.7 Distribution to unit holders

Distribution to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

4.8 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.9 Revenue recognition

- Gains / (losses) arising on sale of investments are included in Income Statement and are recognised on the date when the transaction takes place;

- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise;
- Dividend income is recognised when the Fund's right to receive the same is established, i.e. on the commencement of book closure of the investee company / institution declaring the dividend; and
- Profit on savings account with banks is recognised on time proportion basis using the effective yield method.

4.10 Treatment of Shariah non-compliant Income

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

4.11 Expenses

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

4.12 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

4.13 Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

	Note	2025 (Rupees in '000)	2024 (Rupees in '000)
5			
BALANCES WITH BANKS			
Balances with banks in:			
Savings accounts	5.1	108,409	20,650
Current accounts	5.2	8,310	4,969
		<u>116,719</u>	<u>25,619</u>
5.1	This includes balances maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 3.25% (June 30, 2024: 11.01%) per annum. Other savings accounts of the Fund have expected rates of profit ranging from 4.82% to 10.75% (June 30, 2024: 8.82% to 19.51%) per annum.		
5.2	This includes a balance maintained with Meezan Bank Limited (a related party).		
6			
INVESTMENTS			
Investment at 'fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	6.1	<u>3,210,516</u>	<u>1,154,088</u>

6.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	As at July 1, 2024	Purchased during the year	Bonus / Right issue	Sold / transferred during the year	As at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation as at June 30, 2025	Percentage in relation to		
									Net assets of the fund	Total market value of investment	Paid-up capital of investee company (with face value of investment)
						Number of shares			(Rupees in '000)		
									%		
Oil and Gas Exploration Companies											
Mari Energies Limited (note 6.1.2 & 6.1.3)	80,513	1,980,500	628,424	1,739,560	949,877	579,603	595,468	15,865	17.91	18.55	0.08
Oil and Gas Development Company Limited (note 6.1.2)	1,652,464	7,780,000	-	6,766,667	2,665,797	569,702	587,988	18,266	17.69	18.31	0.06
Pakistan Petroleum Limited (note 6.1.2)	1,704,636	7,499,177	-	9,203,813	-	-	-	-	-	-	-
									35.60	36.86	0.14
Oil and Gas Marketing Companies											
Allcock Petroleum Limited	152,079	207,104	-	359,183	-	-	-	-	-	-	-
Pakistan State Oil Company Limited (note 6.1.2)	625,191	4,880,670	-	3,931,832	1,574,029	566,067	594,243	28,176	17.88	18.51	0.34
Shell Pakistan Limited	-	80,000	-	80,000	-	-	-	-	-	-	-
Sui Southern Gas Company Limited	-	9,293,000	-	7,543,000	1,750,000	74,881	74,883	2	2.25	2.33	0.20
Sui Northern Gas Pipelines Limited	1,338,227	13,394,826	-	10,547,000	4,186,053	425,414	488,554	63,140	14.70	15.22	0.66
									34.83	36.06	1.20
Power Generation and Distribution											
The Hub Power Company Limited	1,273,656	12,531,000	-	9,744,434	4,060,222	541,613	559,539	17,926	16.83	17.43	0.31
K - Electric Limited (note 6.1.1)	4,220,500	110,333,838	-	55,533,237	59,021,101	301,445	309,861	8,416	9.32	9.65	0.21
									26.16	27.08	0.52
Refinery											
Allcock Refinery Limited	67,095	554,500	-	621,595	-	-	-	-	-	-	-
Energycor PK Limited	2,212,500	27,585,000	-	28,797,500	-	-	-	-	-	-	-
National Refinery Limited	-	75,000	-	75,000	-	-	-	-	-	-	-
Pakistan Refinery Limited	234,450	-	-	234,450	-	-	-	-	-	-	-
									-	-	-
Total as at June 30, 2025						3,058,725	3,210,516	151,791	96.59	100.00	
Total as at June 30, 2024						1,016,307	1,154,088	137,781			

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which has face value of Rs 3.5 each.

6.1.2 Investments include 400,000 shares of Oil & Gas Development Company Limited, 200,000 shares of Mari Petroleum Limited and 5,000 shares of Pakistan State Oil Company Limited, having market value of Rs. 88.224 million, Rs. 125.378 million and Rs. 1.888 million respectively as at June 30, 2025 (2024: 78,000 shares of Pakistan Petroleum Limited, 10,000 shares of Mari Petroleum Limited and 5,000 shares of Pakistan State Oil Company Limited, having market value of Rs 9.134 million, Rs. 27.123 million and Rs. 0.831 million respectively) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

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

In this regard, a petition was filed by the Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CIS. The petition is based on the grounds that since the CISs are exempt from levy of income tax in terms of 99 of Part-I of the Second Schedule to the ITO, no tax is payable by the Fund under Section 236Z of the ITO. During the current period, the Honorable High Court of Sindh has issued notices to the relevant parties and ordered to retain the bonus shares being withheld and no tax shall be paid under section 236Z of the ITO till further orders by the Court. As at June 30, 2025, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares are valued at Rs. 39.395 million.

6.2 Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	Note	2025 (Rupees in '000)	2024
Market value of investments	6.1	3,210,516	1,154,088
Less: carrying value of investments	6.1	3,058,725	1,016,307
		<u>151,791</u>	<u>137,781</u>

7	Note	2025	2024
		(Rupees in '000)	
Profit receivable on balances with banks		281	999
Security deposit with Central Depository Company of Pakistan Limited		100	100
Security deposit with National Clearing Company of Pakistan Limited		2,500	2,500
Advance tax	7.1	1,431	1,431
Receivable against withholding tax on bonus share		2,570	-
		<u>6,882</u>	<u>5,030</u>

7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, during prior years, withholding tax on dividend and profit on bank deposits paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The tax withheld on dividends and profit on bank deposits amounts to Rs. 1.431 million.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable High Court of Sindh (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividends and profit on bank deposits has been shown as other receivables as at June 30, 2025 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

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

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

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

As at June 30, 2025, the Fund has recorded an amount of Rs. 2.570 million as receivables against withholding tax on bonus shares in respect of bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares.

8	Note	2025	2024
		(Rupees in '000)	
PAYABLE TO AI MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Remuneration payable	8.1	1,095	303
Sindh Sales Tax payable on remuneration of the Management Company	8.2	164	39
Allocated expenses payable	0	-	-
Selling and marketing expenses payable	8.4	-	1,702
Sales load payable		751	179
Sindh Sales Tax on sales load payable		113	23
Other liabilities		1,495	-
		<u>3,618</u>	<u>2,246</u>

- 8.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% from July 1, 2024 to May 18, 2025 and 2.5% from May 19, 2025 to June 30, 2025 (2024: 2%) per annum of the average annual net assets of the Fund during the year ended June 30, 2025. The remuneration is payable to the Management Company monthly in arrears.

During the year ended June 30, 2025, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, revised the management fee cap to 3% to be calculated on a per annum basis of the average daily net assets, applicable to an "Equity Scheme". This revision is effective from July 01, 2025. As at June 30, 2025, the Fund is not subject to a management fee cap.

- 8.2 Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of Management Company has been enhanced from the rate of 13% to 15% (June 30, 2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

Further, Sindh sales tax at the rate of 15% has also been levied on any reimbursable expenditure to the Management Company effective July 1, 2024 vide Sindh Finance Act, 2024.

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

The Management Company, based on its own discretion, has charged such expenses at the rate of 0.07% from July 01, 2024 to May 18, 2025 and nil from May 19, 2025 to June 30, 2025 (2024: 0.11% from July 01, 2023 to January 31, 2024 and nil from February 01, 2024 to June 30, 2024) per annum of the average annual net assets of the Fund, subject to total expense charged being lower than actual expense incurred.

Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to registrar services, accounting, operation and valuation services has been excluded. This amendment was effective immediately upon its release on April 10, 2025, except where a later date was explicitly approved by the SECP.

- 8.4 In accordance with Circular 11 dated July 5, 2019 issued by the SECP with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the following rates during the year ended June 30, 2025 subject to total expense charged being lower than actual expense incurred.

2025				2024	
Rate applicable from July 1, 2024 to August 18, 2024	Rate applicable from August 19, 2024 to December 31, 2024	Rate applicable from January 01, 2025 to May 18, 2025	Rate applicable from May 19, 2025 to June 30, 2025	Rate applicable from July 1, 2023 to March 31, 2024	Rate applicable from April 1, 2024 to June 30, 2024
0.50 % of the average annual net assets of the Fund	0.80 % of the average annual net assets of the Fund	0.44 % of the average annual net assets of the Fund	0.00 % of the average annual net assets of the Fund	0.40 % of the average annual net assets of the Fund	0.50% of the average annual net assets of the Fund

Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to selling and marketing services has been excluded. This amendment was effective immediately upon its release on April 10, 2025, except where a later date was explicitly approved by the SECP.

9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2025	2024
			(Rupees in '000)	
	Remuneration payable	9.1	342	188
	Sindh Sales Tax payable on remuneration of the Trustee	9.2	51	24
			<u>393</u>	<u>212</u>

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

Net assets (Rs.)	Fee
- Up to Rs 1,000 million	0.2% per annum of net assets
- Over Rs. 1,000 million	Rs. 2 million plus 0.1% per annum of net assets exceeding Rs 1,000 million.

9.2 Sindh sales tax on remuneration of the Trustee levied through the Sindh Sales Tax Act on Services, 2011 has been charged at the rate of 15%. (2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)	Note	2025 (Rupees in '000)	2024
	Fee payable	10.1	<u>246</u>	<u>102</u>

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.095% (2024: 0.095%) per annum of the daily net assets of the Fund.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the fund was required to pay SECP fee within three months of the close of accounting year

11	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2025 (Rupees in '000)	2024
	Auditors' remuneration payable		617	327
	Shariah advisor fee payable		520	535
	Withholding dividend payable		4,909	29,323
	IBFT payable		145	28
	Other payable		3	2
	Charity payable	11.1	9,746	3,595
	Capital gain tax payable		2,962	3,723
	Brokerage payable		10,247	2,431
	Zakat payable		122	54
			<u>29,271</u>	<u>40,018</u>

11.1 According to the instructions of the Shariah Advisor, income earned by the Fund from prohibited sources should be donated to charitable purposes.

During the year ended June 30, 2025, Non-Shariah compliant income amounting to Rs 10.30 million (2024: Rs 3.641 million) was charged as charity expense and Rs 4.15 million was disbursed to following charitable / welfare organisations respectively:

S. No.	Charitable Organisations	Amount Rupees in '000
1	Chiniot Anjuman Islamia	1,500
2	Afzaal Memorial Thalassemia Foundation	95
3	Professional Education Foundation	2,000
4	The Hunar Foundation	557
		<u>4,152</u>

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2025 and June 30, 2024.

13	AUDITORS' REMUNERATION	2025 (Rupees in '000)	2024
	Annual audit fee	455	235
	Fee for half yearly review of condensed interim financial statements	195	85
	Other Certification	80	50
	Out of pocket expenses & Sindh Sales tax	115	74
		<u>845</u>	<u>444</u>

14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2025 is 5.18% (2024: 4.53%) which includes 0.69% (2024: 0.48%) representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Equity Scheme'.

During the year ended June 30, 2025, the SECP, vide S.R.O. 600(I)/2025 dated April 10, 2025, has removed the TER limit with effect from July 1, 2025. The TER limit, applicable previously, has been replaced with the management fee cap which has been disclosed in note 8.1 of these financial statements.

15 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2025 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

16 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 16.1** Connected persons / related parties 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, other collective investment schemes managed by the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly 10 percent or more of the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 16.2** Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 16.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 16.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 16.5** Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 16.6** The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

Balances	2025	2024
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	1,095	303
Sindh Sales Tax payable on remuneration of the Management Company	164	39
Selling and marketing expenses payable	-	1,702
Sales load payable	751	179
Sindh Sales Tax on sales load payable	113	23
Other liabilities	1,495	-
Investment: nil units (2024: 6,489,550 units)	-	221,325
Meezan Bank Limited		
Balances with bank	79,026	20,494
Profit receivable on savings account	129	588
Sales load payable	402	82
Sindh Sales Tax on sales load payable	60	11
Shariah advisor fee payable	520	535



Balances

Central Depository Company of Pakistan Limited - Trustee
Remuneration payable
Sindh Sales Tax payable on remuneration of the Trustee
Security deposit

2025	2024
(Rupees in '000)	
342	188
51	24
100	100

National Clearing Company of Pakistan Limited
Security deposit

2,500	2,500
-------	-------

Directors and executives of the Management Company
Investment of 619,191 units (2024: 498,860 units)

30,643	17,013
--------	--------

Unit holders holding 10% or more of units of the Fund
Investment: nil (2024: 5,214,548 units)

-	177,841
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Transactions during the year

Al Meezan Investment Management Limited - Management Company
Remuneration of the Management Company
Sindh Sales Tax on remuneration of the Management Company
Allocated expenses

2025	2024
(Rupees in '000)	
55,653	19,079
8,348	2,480
1,620	475

Sindh Sales Tax on allocated expenses

243	-
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Selling and marketing expenses

13,013	4,134
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Sindh Sales Tax on selling and Marketing expenses

1,952	-
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Units issued: 2,736 units (2024: 7,937,917 units)

91	332,590
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Units redeemed: 6,492,286 units (2024: 4,194,738 units)

222,365	209,868
---------	---------

Dividend paid

-	43,712
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Refund of capital

-	49,812
---	--------

Units issued to unitholders on behalf of Management Company

473	-
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Meezan Bank Limited

Profit on savings account

3,806	3,183
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Shariah advisor fee

538	539
-----	-----

Central Depository Company of Pakistan Limited - Trustee
Remuneration of the Trustee

3,688	1,776
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Sindh Sales Tax on remuneration of the Trustee

553	231
-----	-----

CDS charges

738	184
-----	-----

National Clearing Company of Pakistan Limited
NCCPL charges

1,389	583
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Directors and executives of the Management Company

Units issued: 8,357,349 units (2024: 8,558,879 units)

383,822	361,571
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Units redeemed: 8,250,853 units (2024: 7,034,451 units)

376,469	315,235
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Dividend paid

73	1,085
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Refund of Capital

1,634	5,965
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Unit holders holding 10% or more of units of the Fund

Units issued: nil (2024: 1,963,785 units)

-	76,889
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Units redeemed: nil (2024: 1,059,618 units)

-	55,000
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Dividend paid

-	63,547
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Refund of Capital

-	13,343
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17 FINANCIAL INSTRUMENTS BY CATEGORY

	2025		Total
	At amortised cost	At fair value through profit or loss	
	(Rupees in '000)		
Financial assets			
Balances with banks	116,719	-	116,719
Investments	-	3,210,516	3,210,516
Receivable against conversion of units	242,978	-	242,978
Dividend receivable	357	-	357
Receivable against sale of investments	11,888	-	11,888
Deposits and other receivable	2,881	-	2,881
	<u>374,823</u>	<u>3,210,516</u>	<u>3,585,339</u>
Financial liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	3,618	-	3,618
Payable to Central Depository Company of Pakistan Limited - Trustee	393	-	393
Payable to Meezan Bank Limited	462	-	462
Payable against conversion and redemption of units	231,374	-	231,374
Accrued expenses and other liabilities	21,278	-	21,278
	<u>257,125</u>	<u>-</u>	<u>257,125</u>

	2024		Total
	At amortised cost	At fair value through profit or loss	
	(Rupees in '000)		
Financial assets			
Balances with banks	25,619	-	25,619
Investments	-	1,154,088	1,154,088
Receivable against conversion of units	8,976	-	8,976
Dividend receivable	299	-	299
Receivable against sale of investments	115,695	-	115,695
Deposits and other receivable	3,599	-	3,599
	<u>154,188</u>	<u>1,154,088</u>	<u>1,308,276</u>

	2024		Total
	At amortised cost	At fair value through profit or loss	
	(Rupees in '000)		
Financial liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	2,246	-	2,246
Payable to Central Depository Company of Pakistan Limited - Trustee	212	-	212
Payable against conversion and redemption of units	128,720	-	128,720
Payable to Meezan Bank Limited	93	-	93
Dividend payable	1,952	-	1,952
Accrued expenses and other liabilities	6,918	-	6,918
	<u>140,141</u>	<u>-</u>	<u>140,141</u>

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

18.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee and regulations laid down by the SECP.

Market risk comprises of three types of risks: yield / profit rate risk, currency risk, and price risk.

(i) Yield / Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2025, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income / (loss) for the year and net assets of the Fund would have been higher / lower by Rs. 1.084 million (2024: Rs. 0.207 million).

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Yield / profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2025 can be determined as follows:

As at June 30, 2025					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
----- (Rupees in '000) -----					
Financial assets					
Balances with banks	108,409	-	-	8,310	116,719
Investments	-	-	-	3,210,516	3,210,516
Receivable against conversion of units	-	-	-	242,978	242,978
Dividend receivable	-	-	-	357	357
Receivable against sale of investments	-	-	-	11,888	11,888
Deposits and other receivable	-	-	-	2,881	2,881
	108,409	-	-	3,476,930	3,585,339
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company	-	-	-	3,618	3,618
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	393	393
Payable to Meezan Bank Limited	-	-	-	462	462
Payable against conversion and redemption of units	-	-	-	231,374	231,374
Accrued expenses and other liabilities	-	-	-	21,278	21,278
	-	-	-	257,125	257,125
On-balance sheet gap (a)	108,409	-	-	3,219,805	3,328,214
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap (b)	-	-	-	-	-
Total profit rate sensitivity gap (a + b)	108,409	-	-	-	-
Cumulative profit rate sensitivity gap	108,409	108,409	108,409	-	-

As at June 30, 2024						
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
(Rupees in '000)						
Financial assets						
Balances with banks	8.82% - 19.51%	20,650	-	-	4,969	25,619
Investments		-	-	-	1,154,088	1,154,088
Receivable against conversion of units		-	-	-	8,976	8,976
Dividend receivable		-	-	-	299	299
Receivable against sale of investments		-	-	-	115,695	115,695
Deposits and other receivable		-	-	-	3,599	3,599
		20,650	-	-	1,287,626	1,308,276
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	2,246	2,246
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	212	212
Payable to Meezan Bank Limited		-	-	-	93	93
Payable against conversion and redemption of units		-	-	-	128,720	128,720
Dividend payable		-	-	-	1,952	1,952
Accrued expenses and other liabilities		-	-	-	6,918	6,918
		-	-	-	140,141	140,141
On-balance sheet gap (a)		20,650	-	-	1,147,485	1,168,135
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a + b)		20,650	-	-	-	-
Cumulative profit rate sensitivity gap		20,650	20,650	20,650	-	-

(ii) Currency risk

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

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk on investments held by the Fund classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed. The NBFC Regulations also limit individual equity securities to no more than 20% of net assets and issued capital of the investee company while there is no sector exposure limit.

In case of 1% increase / decrease in KMI All Share Index on June 30, 2025, with all other variables held constant, the total comprehensive (loss) / income of the Fund for the year would increase / decrease by Rs. 32.105 million (2024: Rs. 11.541 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as 'financial assets at fair value through profit or loss'.

The analysis is based on the assumption that equity index had increased / decreased by 1% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI All Share Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI All Share Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI All Share Index.

18.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemption requests during the year ended June 30, 2025.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month:

As at 30 June, 2025						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	116,719	-	-	-	-	116,719
Investments	-	-	-	-	3,210,516	3,210,516
Receivable against conversion of units	242,978	-	-	-	-	242,978
Dividend receivable	357	-	-	-	-	357
Receivable against sale of investments	11,888	-	-	-	-	11,888
Deposits and other receivable	281	-	-	-	2,600	2,881
	372,223	-	-	-	3,213,116	3,585,339
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	3,618	-	-	-	-	3,618
Payable to Central Depository Company of Pakistan Limited - Trustee	393	-	-	-	-	393
Payable to Meezan Bank Limited	462	-	-	-	-	462
Payable against redemption and conversion of units	231,374	-	-	-	-	231,374
Dividend payable	-	-	-	-	-	-
Accrued expenses and other liabilities	-	20,758	520	-	-	21,278
	235,847	20,758	520	-	-	257,125
Net financial assets / (liabilities)	136,376	(20,758)	(520)	-	-	3,213,116
(Rupees in '000)						
As at 30 June, 2024						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	25,619	-	-	-	-	25,619
Investments	-	-	-	-	1,154,088	1,154,088
Receivable against conversion of units	8,976	-	-	-	-	8,976
Dividend receivable	299	-	-	-	-	299
Receivable against sale of investment	115,695	-	-	-	-	115,695
Deposits and other receivable	999	-	-	-	2,600	3,599
	151,588	-	-	-	1,156,688	1,308,276
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	2,246	-	-	-	-	2,246
Payable to Central Depository Company of Pakistan Limited - Trustee	212	-	-	-	-	212
Payable to Meezan Bank Limited	93	-	-	-	-	93
Payable against conversion and redemption of units	128,720	-	-	-	-	128,720
Dividend payable	1,952	-	-	-	-	1,952
Accrued expenses and other liabilities	-	6,383	535	-	-	6,918
	133,223	6,383	535	-	-	140,141
Net financial assets / (liabilities)	18,365	(6,383)	(535)	-	-	1,156,688
(Rupees in '000)						

18.3 Credit risk

18.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arises from deposits with banks and financial institutions, profit receivable on bank deposits, dividend receivable and receivable against conversion of units and sale of investments.

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the investment manager monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The table below analyses the Fund's maximum exposure to credit risk:

	2025		2024	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
------(Rupees in '000)-----				
Balances with banks	116,719	116,719	25,619	25,619
Investments	3,210,516	-	1,154,088	-
Receivable against conversion of units	242,978	242,978	8,976	8,976
Dividend receivable	357	357	299	299
Receivable against sale of investments	11,888	11,888	115,695	115,695
Deposits and other receivable	2,881	2,881	3,599	3,599
	<u>3,585,339</u>	<u>374,823</u>	<u>1,308,276</u>	<u>154,188</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2025 is the carrying amount of the financial assets. Investment in equity securities, however, are not exposed to credit risk and have been excluded from the above analysis.

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

18.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and related profit receivable thereon, dividend receivable and receivable against conversion of units and sale of investments. The credit rating profile of balances with banks is as follows:

Ratings	% of financial assets exposed to credit risk	
	2025	2024
AAA	68.00	80.21
AA+	32.00	16.87
A+	1.00	2.92
	<u>100.00</u>	<u>100.00</u>

18.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2025 and June 30, 2024 are unsecured and are not impaired.

19 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

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

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

As at June 30, 2025 and June 30, 2024, the Fund held the following financial instruments measured at fair value:

	2025		
	Level 1	Level 2	Level 3
	----- Rupees in '000 -----		
Financial assets 'at fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	3,210,516	-	-

	2024		
	Level 1	Level 2	Level 3
	----- Rupees in '000 -----		
Financial assets 'at fair value through profit or loss'			
Shares of listed companies - 'ordinary shares'	1,154,088	-	-

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

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

There were no transfers between levels during the year.

20 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

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

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

21 UNIT HOLDING PATTERN OF THE FUND

Category	2025			2024		
	Number of unit holders	Investment amount	Percentage of total investment	Number of unit holders	Investment amount	Percentage of total investment
		(Rupees in '000)	(%)		(Rupees in '000)	(%)
Individuals	7,530	2,897,093	87.16	2,321	862,313	75.90
Associated companies /						
Directors	-	-	0.00	1	221,325	19.50
Retirement funds	3	67,613	2.03	1	32,892	2.90
Insurance	1	153,590	4.62	-	-	0.00
Others	15	205,680	6.19	5	19,834	1.70
Total	7,549	3,323,976	100.00	2,328	1,136,364	100.00

22 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2025		2024	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Spectrum Securities Limited	7.51%	Intermarket Securities Limited	10.56%
Taurus Securities Limited	7.43%	JS Global Capital Limited	7.93%
Alfa Adhi Securities Private Ltd	6.43%	Standard Capital Securities (Private) Limited	7.04%
Standard Capital Securities (Private) Limited	6.45%	Aba Ali Habib Securities (Private) Limited	6.33%
Dalal Securities Private Ltd	5.56%	Spectrum Securities Limited	6.26%
Aba Ali Habib Securities (Private) Limited	5.12%	Ismail Iqbal Securities (Private) Limited	6.03%
JS Global Capital Limited	4.90%	BMA Capital Management Limited	5.79%
Integrated Equities Limited	4.46%	Darson Securities (Private) Limited	5.58%
Ktrade Securities Limited	4.35%	Taurus Securities Limited	5.03%
Akik Capital (Private) Limited	4.26%	Optimus Capital Management (Private) Limited	4.73%

23 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Name	Designation	Qualifications	Overall experience
Mr. Imtiaz Gadar, CFA	Chief Executive Officer	CFA / MBA	Twenty Two years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Twenty Nine years
Mr. Ahmed Hassan	Head of Equity	CFA / MBA	Eighteen years
Ms. Amreen Soorani	Head of Research	FCCA	Fifteen years
Mr. Faizan Saleem	Head of Fixed Income	CFA level II / MBA	Eighteen years
Mr. Asif Imtiaz	VP Investments	CFA / MBA	Seventeen years
Mr. Akhtar Munir	Head of Risk Management	CFA / FRM, ACCA, FCMA & MBA	Twelve years
Mr. Ali Khan	Head of Product Development	CFA / FRM / MBA	Sixteen years

The Fund Manager of the Fund is Mr. Ahmed Hassan. Other Funds being managed by the Fund Manager are as follows:

- Al Meezan Mutual Fund; and
- Meezan Tahaffuz Pension Fund

24 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of Directors	Designation	Meeting held on				
		August 19, 2024	September 27, 2024	October 10, 2024	February 07, 2025	April 18, 2025
Mr. Irfan Siddiqui	Chairman	Yes	Yes	Yes	Yes	Yes
Mr. Ahmed Iqbal Rajani*	Non-Executive	Yes	Yes	Yes	N/A	N/A
Ms. Ayesha Umer*	Non-Executive	N/A	N/A	N/A	Yes	Yes
Ms. Danish Zuberi	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Feroz Rizvi	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Furquan Kidwai	Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Imtiaz Gadar**	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes
Mr. Saad Ur Rahman Khan	Non-Executive	Yes	Yes	Yes	Yes	Yes
Ms. Shazia Khurram	Non-Executive	Yes	Yes	No	Yes	Yes
Syed Amir Ali	Non-Executive	Yes	Yes	Yes	Yes	Yes
Syed Imran Ali Shah***	Non-Executive	N/A	Yes	Yes	Yes	Yes
Mr. Tariq Mairaj***	Non-Executive	Yes	N/A	N/A	N/A	N/A

* Mr. Ahmed Iqbal Rajani resigned from the Board on January 13, 2025, and Ms. Ayesha Umer was subsequently appointed on February 3, 2025.

** Mr. Imtiaz Gadar was appointed as Chief Executive Officer on August 1, 2024.

*** Mr. Tariq Mairaj resigned from the Board on September 10, 2024, and Syed Imran Ali Shah was subsequently appointed on September 18, 2024.

25 GENERAL

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

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 18, 2025 by the Board of Directors of the Management Company.

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

Chief Executive Officer

Chief Financial Officer

Director

