



# AZZAD FUNDS

*Invest with faith*



## **Azzad Wise Capital Fund**

*(Ticker: WISEX)*

First Halal Fixed-Income Fund



## **Azzad Ethical Fund**

*(Ticker: ADJEX)*

Halal Equity Mutual Fund

**SEMI-ANNUAL REPORT**    DECEMBER 31, 2023 (UNAUDITED)

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# AZZAD FUNDS

## SHAREHOLDER LETTER DECEMBER 31, 2023 (UNAUDITED)

Dear Azzad Funds Shareholder,

Enclosed please find your copy of the Azzad Funds semi-annual report. It includes a review of your investments for the six-month period ending December 31, 2023.

The narrative for the period revolved around a meaningful easing of financial conditions over the final two months of 2023, driven first in October by the U.S. Federal Reserve acknowledging the dampening need for further rate hikes, then in November by the indication of the potential for up to 0.75 percentage points in cuts coming in 2024 if disinflation trends continued. U.S. stocks were significantly higher in the fourth quarter of calendar year 2023, reversing course from the negative quarter posted in the third quarter.

Having previously been conditioned that interest rates would remain higher for longer, fixed income investors rejoiced at the news of the Fed's pivot to a more accommodative rate policy.

Spreads on riskier debt obligations fell as the funding risk posed by "higher for longer" faded for emerging market, high yield, and investment grade bonds. Overall, this newfound outlook was good for higher beta assets; higher risk translated into higher return in December 2023.

If you would like to discuss the Azzad Funds and their role in your investment portfolio, please contact your financial professional or Azzad at **888.86.AZZAD**. Thank you for your continued trust and investment.

Sincerely,



Joshua Brockwell, CSRIC™  
Investment Communications Director

# AZZAD FUNDS

## SHAREHOLDER LETTER (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

### **Azzad Ethical Fund (ADJEX)**

The Azzad Ethical Fund returned 3.05% during the six months ended December 31, 2023, underperforming the Russell MidCap® Growth Index, which returned 8.56%.

According to Fund sub-adviser Delaware Investments Fund Advisors (“DIFA”), stock selection in Technology and Consumer Cyclical, along with a lack of exposure to winners in the Financial Services sector, contributed to underperformance. On the positive side, Communication Services, Industrials, and Basic Materials helped.

DIFA points out that as changes in the interest rate environment reverberate across markets, they remain constructive on the financial markets. They maintain that valuations in some pockets of the equity market have recently adjusted higher and will need to be supported by improving corporate earnings. In this environment, they will maintain a cautiously optimistic approach within the Fund.

DIFA seeks to buy and own stocks for a three- to five-year period (or longer in many cases), not the next three to six months. They continue to seek out what in their opinion are quality growth companies where business models are strong, capital structures are sound, and valuations are supportive of opportunity for appreciation. They focus on growth durability and cash flows, making high conviction moves even when uncertainty is high.

Finally, investors should note that the Azzad Ethical Fund’s performance for the first six months of calendar year 2023 helped to offset the underperformance from the second half of the calendar year. Looking at the bigger picture shows that long-term performance is critical for gains, rather than focusing on shorter-term periods of time.

### **Azzad Wise Capital Fund (WISEX)**

The Azzad Wise Capital Fund returned 2.18% for the six-month period ended December 31, 2023, underperforming its benchmark, the BofAML U.S. Corp. & Govt. 1-3 Yr. Index, which returned 3.44%.

According to Fund sub-adviser Federated Hermes Investment Management Company (“Federated”), a lack of opportunity for spread tightening was the case for many holdings throughout the Fund’s fiscal year. While Middle Eastern, Persian Gulf, and Asian sukuk markets benefitted from the Fed’s pivot to a more dovish interest rate outlook, their relative lack of volatility versus the broader market during the year left less room for tightening, except for issues in Indonesia and Malaysia. In addition, tensions stemming from Israel’s war in Gaza created broader uncertainty in markets spanning the region.

Top-performing regions for the period included Indonesia, Malaysia, and the UAE. Bottom-performing regions included Kuwait, Qatar, and Egypt. The top-performing sukuk were Indonesia 27’s, Axiata Malaysian 26s, Indonesian 25s, and Turkey 26s. Bottom-performing sukuk consisted primarily of shorter-dated GCC sukuk, including Bahrain 24s, AUB (UAE) 26s, DAE 26s and Bahrain 25s.

The period saw some positive developments in the Gulf Cooperation Council (GCC) region, including a Fitch Ratings upgrade of Oman from BB to BB+, which cited the use of high oil revenues to pay down public liabilities and confidence that the government will not backtrack on recent fiscal consolidation measures.

Despite war in Gaza and rising geopolitical tensions, GCC corporates, particularly those in the Islamic financial sector, have been seen as a haven, given the sector’s significant capital buffers, liquid assets, and lower exposure to unrealized losses stemming from the rise in global rates.

# AZZAD FUNDS

## SHAREHOLDER LETTER (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

***The performance quoted represents past performance, which does not guarantee future results.*** This summary represents the views of the Azzad Funds portfolio managers and sub-advisors as of December 31, 2023. Those views may change, and the Funds disclaim any obligation to advise investors of such changes. The Azzad Funds are self-distributed and available by prospectus only. A free copy of the prospectus, which contains information about the Funds' risks, fees, and objectives, and other important information, is available at [azzadasset.com](http://azzadasset.com) or by calling 888.350.3369. The Bank of America Merrill Lynch U.S. Corporate & Government 1-3 Year Index tracks the performance of U.S. dollar-denominated investment grade corporate and government public debt issued in the U.S. Domestic bond market, excluding collateralized products. The Russell MidCap® Growth Index measures the performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell MidCap® Index companies with higher price to book ratios and higher forecasted growth values. The index is unmanaged and an investment cannot be made directly in this or any other index.

# AZZAD ETHICAL FUND

## PERFORMANCE ILLUSTRATION DECEMBER 31, 2023 (UNAUDITED)

Average Annual Total Return For the Periods Ended December 31, 2023		
	<u>Azzad Ethical Fund</u>	<u>Russell MidCap Growth Index</u>
Six Months	3.05%	8.56%
1 Year	24.26%	25.87%
3 Year	1.85%	1.31%
5 Year	12.37%	13.81%
10 Year	8.17%	10.57%
Since Inception <sup>(1)</sup>	5.69%	6.44%

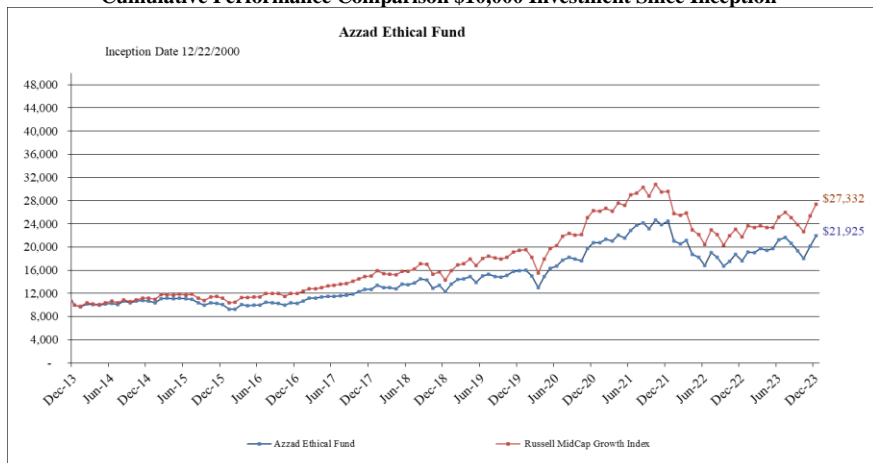
<sup>(1)</sup> December 22, 2000.

**The performance quoted represents past performance, which does not guarantee future results.** The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect a deduction of taxes that a shareholder would pay on Ethical Fund distributions or the redemption of Ethical Fund shares. Current performance of the Ethical Fund may be lower or higher than the performance quoted. The Ethical Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The total annual operating expenses, before any fees waived, were 1.14% for the Ethical Fund per the prospectus that was filed on November 1, 2023. Performance data current to the most recent month end may be obtained by calling 1-888-350-3369.

The Russell Midcap Growth Index measures the performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell Midcap Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell Midcap Growth Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap growth market. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap growth market.

Return figures reflect any change in price per share and assume the reinvestment of all distributions.

### Cumulative Performance Comparison \$10,000 Investment Since Inception



This chart assumes an initial investment of \$10,000 made on 12/31/2013 and the value of the account on 12/31/2023. Total return is based on the net change in net asset value ("NAV") and assuming reinvestment of all dividends and other distributions. Performance figures represent past performance which is not predictive of future performance. Investment return and principal value will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost.

# AZZAD WISE CAPITAL FUND

## PERFORMANCE ILLUSTRATION DECEMBER 31, 2023 (UNAUDITED)

Average Annual Total Return For the Periods Ended December 31, 2023		
	<u>Azzad Wise Capital Fund</u>	<u>ICE BofAML US Corp&amp;Govt 1-3 Yr Index</u>
Six Months	2.18%	3.44%
1 Year	4.39%	4.63%
3 Year	0.95%	0.08%
5 Year	2.30%	1.52%
10 Year	1.83%	1.28%
Since Inception <sup>(1)</sup>	1.74%	1.93%

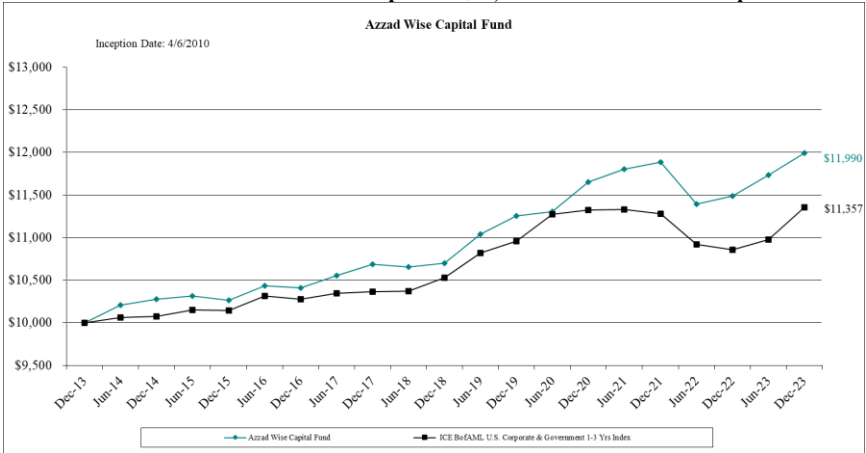
<sup>(1)</sup> April 6, 2010

The performance quoted represents past performance, which does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect a deduction of taxes that a shareholder would pay on Wise Fund distributions or the redemption of Wise Fund shares. Current performance of the Wise Fund may be lower or higher than the performance quoted. The Wise Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The total annual operating expenses, before any fees waived, were 0.97% for the Wise Fund per the prospectus that was filed on November 1, 2023. Performance data current to the most recent month end may be obtained by calling 1-888-350-3369.

The ICE BofAML US Corp&Govt 1-3 Yr Index is comprised of short-term bond funds having durations between one and three and half years, thus making them attractive to fairly conservative investors. These funds invest in a variety of bonds, from the most creditworthy, such as Treasury bonds, to mortgages and corporations. On rare occasions, they may even invest in more speculative high-yield and emerging-markets debt.

Return figures reflect any change in price per share and assume the reinvestment of all distributions.

### Cumulative Performance Comparison \$10,000 Investment Since Inception

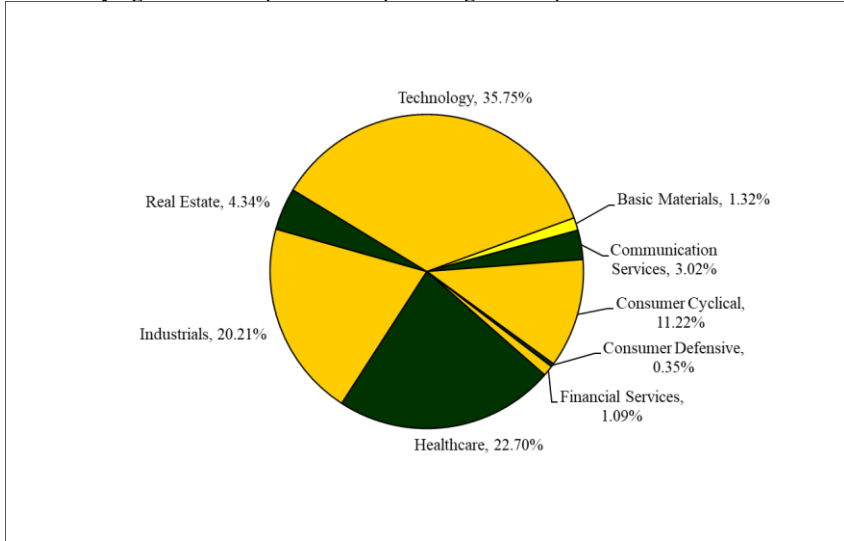


This chart assumes an initial investment of \$10,000 made on 12/31/2013 and the value of the account on 12/31/2023. Total return is based on the net change in net asset value ("NAV") and assuming reinvestment of all dividends and other distributions. Performance figures represent past performance which is not predictive of future performance. Investment return and principal value will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost.

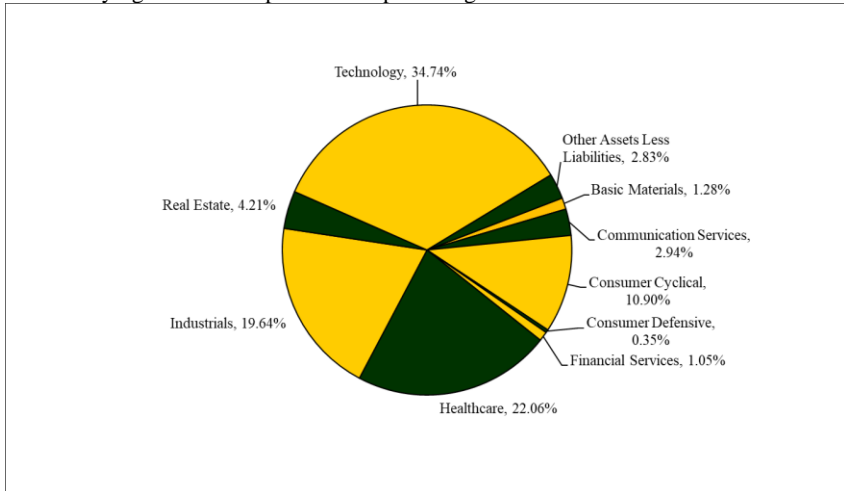
# AZZAD ETHICAL FUND

## PORTFOLIO ANALYSIS DECEMBER 31, 2023 (UNAUDITED)

The following chart gives a visual breakdown of the Ethical Fund by the industry sectors the underlying securities represent as a percentage of the portfolio of investments.



The following chart gives a visual breakdown of the Ethical Fund by the industry sectors the underlying securities represent as a percentage of the net assets.



Sectors are based on Morningstar® classifications.

Portfolio allocations are subject to change.

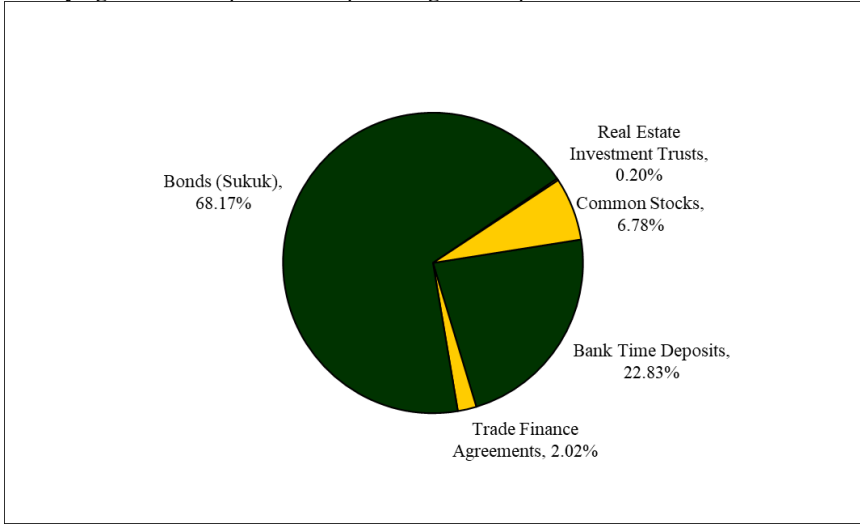
\* See Note 7 for additional disclosures.



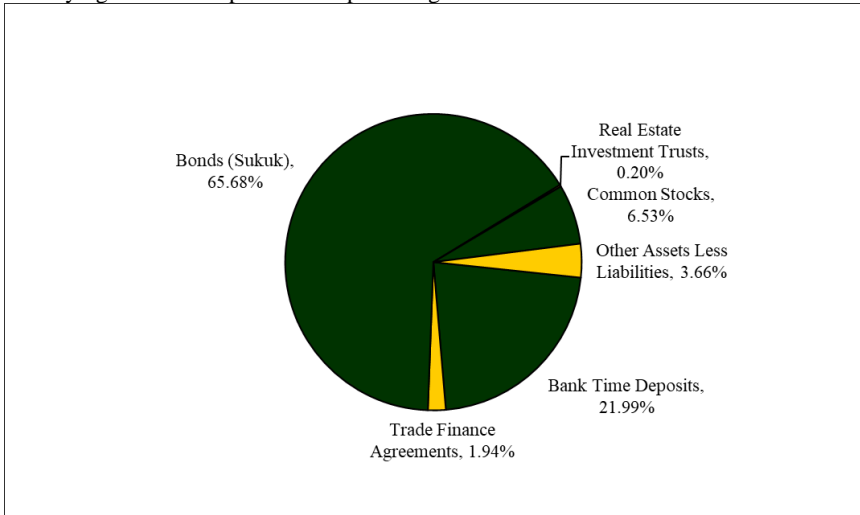
# AZZAD WISE CAPITAL FUND

## PORTFOLIO ANALYSIS DECEMBER 31, 2023 (UNAUDITED)

The following chart gives a visual breakdown of the Wise Fund by the security types the underlying securities represent as a percentage of the portfolio of investments.



The following chart gives a visual breakdown of the Wise Fund by the security types the underlying securities represent as a percentage of net assets.



Portfolio allocations are subject to change.

# AZZAD ETHICAL FUND

## SCHEDULE OF INVESTMENTS DECEMBER 31, 2023 (UNAUDITED)

<u>Shares</u>		<u>Fair Value</u>
<b>COMMON STOCKS - 97.17%</b>		
<b>Aircraft &amp; Parts - 1.95%</b>		
19,545	HEICO Corp. Class A *	\$ 2,783,990
<b>Apparel &amp; Other Finished Products of Fabrics &amp; Similar Material - 2.24%</b>		
92,233	Levi Strauss & Co. Class A	1,525,534
3,269	Lululemon Athletica, Inc. (Canada) *	1,671,407
		<hr/> 3,196,941
<b>Biological Products (No Diagnostic Substances) - 3.78%</b>		
31,707	Bio-Techne Corp.	2,446,512
16,421	Repligen Corp. *	2,952,496
		<hr/> 5,399,008
<b>Bottled &amp; Canned Soft Drinks &amp; Carbonated Waters - 0.35%</b>		
9,048	Celsius Holdings, Inc. *	493,297
<b>Dental Equipment &amp; Supplies - 0.91%</b>		
54,143	Envista Holdings Corp. *	1,302,681
<b>Electrical Work - 2.22%</b>		
14,703	Quanta Services, Inc.	3,172,907
<b>Electronic Components &amp; Accessories - 1.62%</b>		
12,095	Universal Display Corp.	2,313,290
<b>General Industrial Machinery &amp; Equipment - 0.94%</b>		
4,891	Zebra Technologies Corp. Class A *	1,336,857
<b>Household Appliances - 1.73%</b>		
30,071	A.O. Smith Corp.	2,479,053
<b>In Vitro &amp; In Vivo Diagnostic Substances - 1.62%</b>		
4,178	Idexx Laboratories, Inc. *	2,318,999
<b>Industrial Instruments for Measurement, Display &amp; Control - 1.76%</b>		
15,830	Keysight Technologies, Inc. *	2,518,395
<b>Instruments for Measuring &amp; Testing of Electricity &amp; Electric Signals - 2.12%</b>		
27,876	Teradyne, Inc.	3,025,104
<b>Laboratory Analytical Instruments - 2.25%</b>		
13,208	Agilent Technologies, Inc.	1,836,308
1,138	Mettler Toledo International, Inc. *	1,380,348
		<hr/> 3,216,656
<b>Lumber &amp; Wood Products (No Furniture) - 2.21%</b>		
38,230	Trex Co., Inc. *	3,165,062
<b>Measuring &amp; Controlling Devices - 1.38%</b>		
37,007	Trimble, Inc. *	1,968,772

*The accompanying notes are an integral part of these financial statements.*

# AZZAD ETHICAL FUND

## SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

<u>Shares</u>	<u>Fair Value</u>
<b>Metalworking Machinery &amp; Equipment - 1.18%</b>	
7,778 Lincoln Electric Holdings, Inc.	\$ 1,691,404
<b>Mining &amp; Quarrying of Nonmetallic Minerals (No Fuels) - 1.28%</b>	
3,666 Martin Marietta Materials, Inc. *	1,829,004
<b>Miscellaneous Electrical Machinery, Equipment &amp; Supplies - 0.97%</b>	
8,225 Novanta, Inc. *	1,385,172
<b>Motorcycles, Bicycles &amp; Parts - 0.36%</b>	
7,726 Fox Factory Holding Corp. *	521,350
<b>Motors &amp; Generators - 1.64%</b>	
18,160 Generac Holdings, Inc. Class A *	2,346,998
<b>Ophthalmic Goods - 1.92%</b>	
43,647 National Vision Holdings, Inc. *	913,532
4,834 The Cooper Companies, Inc.	1,829,379
	<hr/> 2,742,911
<b>Optical Instruments &amp; Lenses - 1.54%</b>	
3,775 KLA Corp.	2,194,407
<b>Orthopedic, Prosthetic &amp; Surgical Appliances &amp; Supplies - 4.27%</b>	
5,355 Align Technology, Inc. *	1,467,270
24,434 Edwards Lifesciences Corp. *	1,863,093
8,223 Intuitive Surgical, Inc. *	2,774,111
	<hr/> 6,104,474
<b>Railroad Equipment - 0.97%</b>	
10,891 Westinghouse Air Brake Technologies Corp.	1,382,068
<b>Retail-Auto Dealers &amp; Gasoline Stations - 1.97%</b>	
57,372 Copart, Inc. *	2,811,228
<b>Retail-Building Materials, Hardware, Garden Supply - 1.86%</b>	
41,046 Fastenal Co.	2,658,549
<b>Retail-Lumber &amp; Other Building Materials Dealers - 2.20%</b>	
28,132 Floor & Decor Holdings, Inc. Class A *	3,138,406
<b>Rolling Drawing &amp; Extruding of Nonferrous Metals - 1.25%</b>	
33,022 Howmet Aerospace, Inc.	1,787,151
<b>Rubber &amp; Plastics Footwear - 1.43%</b>	
75,586 On Holding AG Class A (Switzerland) *	2,038,554
<b>Semiconductors &amp; Related Devices - 6.03%</b>	
25,770 Lattice Semiconductor Corp. *	1,777,872
33,043 Microchip Technology, Inc.	2,979,818
6,118 Monolithic Power Systems, Inc.	3,859,112
	<hr/> 8,616,802

*The accompanying notes are an integral part of these financial statements.*

# AZZAD ETHICAL FUND

## SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

<u>Shares</u>		<u>Fair Value</u>
<b>Services-Business Services - 4.21%</b>		
68,891	Costar Group, Inc. *	\$ 6,020,384
<b>Services-Computer Programming, Data Processing, Etc. - 6.88%</b>		
3,161	Factset Research Systems, Inc.	1,507,955
113,374	Pinterest, Inc. Class A *	4,199,373
36,258	The Trade Desk, Inc. Class A *	2,609,126
41,265	DoubleVerify Holdings, Inc. *	1,517,727
		<hr/> 9,834,181
<b>Services-Computer Processing &amp; Data Preparation - 1.53%</b>		
7,929	Workday, Inc. Class A *	2,188,880
<b>Services-Miscellaneous Amusement &amp; Recreation - 1.19%</b>		
7,962	Vail Resorts, Inc.	1,699,648
<b>Services-Miscellaneous Equipment Rental &amp; Leasing - 0.97%</b>		
31,306	Willscot Mobile Mini Holdings Corp. *	1,393,117
<b>Services-Prepackaged Software - 13.09%</b>		
18,363	Cadence Design Systems, Inc. *	5,001,530
14,275	Crowdstrike Holdings, Inc. Class A *	3,644,693
3,095	HubSpot, Inc. *	1,796,771
689	MongoDB, Inc. *	281,698
7,999	Paycom Software, Inc.	1,653,553
6,612	Tyler Technologies, Inc. *	2,764,609
10,457	Veeva Systems, Inc. Class A *	2,013,182
15,268	Workiva, Inc. *	1,550,160
		<hr/> 18,706,196
<b>Services-To Dwellings &amp; Other Buildings - 0.88%</b>		
28,803	Rollins, Inc.	1,257,827
<b>Surgical &amp; Medical Instruments &amp; Apparatus - 5.44%</b>		
38,718	DexCom, Inc. *	4,804,517
6,792	Inspire Medical Systems, Inc. *	1,381,697
4,504	West Pharmaceutical Services, Inc. Class C	1,585,948
		<hr/> 7,772,162
<b>Switchgear &amp; Switchboard Apparatus - 0.89%</b>		
4,746	Littelfuse, Inc.	1,269,840
<b>Trucking (No Local) - 1.61%</b>		
5,685	Old Dominion Freight Line, Inc.	2,304,301
<b>Wholesale-Miscellaneous Durable Goods - 2.03%</b>		
7,290	Pool Corp.	2,906,596
<b>X-Ray Apparatus &amp; Tubes &amp; Related Irradiation Apparatus - 2.50%</b>		
19,493	GE Healthcare Technology, Inc.	1,507,199
28,978	Hologic, Inc. *	2,070,478
		<hr/> 3,577,677

*The accompanying notes are an integral part of these financial statements.*

# AZZAD ETHICAL FUND

## SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

	<u>Fair Value</u>
TOTAL FOR INVESTMENTS (Cost \$106,763,408) ** - 97.17%	<u>\$138,870,299</u>
OTHER ASSETS LESS LIABILITIES, NET - 2.83%	<u>4,046,563</u>
NET ASSETS - 100.00%	<u>\$142,916,862</u>

\* Non-income producing securities during the period.

\*\* Refer to Note 8 for Tax Cost.

AG - Abbreviation for the German word Aktiengesellschaft.

*The accompanying notes are an integral part of these financial statements.*

# AZZAD WISE CAPITAL FUND

## SCHEDULE OF INVESTMENTS DECEMBER 31, 2023 (UNAUDITED)

<u>Shares/Par</u>	<u>Fair Value</u>
<b>COMMON STOCKS - 6.53%</b>	
<b>Arrangement of Transportation of Freight &amp; Cargo - 0.26%</b>	
2,496 C.H. Robinson Worldwide, Inc.	\$ 215,629
3,601 Expeditors International of Washington, Inc.	458,047
	<hr/> 673,676
<b>Beverages - 0.30%</b>	
6,174 The Coca-Cola Co.	363,834
2,305 PepsiCo, Inc.	391,481
	<hr/> 755,315
<b>Canned Fruit, Vegetables, Preserves, Jams &amp; Jellies - 0.08%</b>	
1,660 The J.M. Smucker Co.	209,791
<b>Construction, Mining &amp; Materials Handling Machinery &amp; Equipment - 0.16%</b>	
2,586 Dover Corp.	397,753
<b>Converted Paper &amp; Paperboard Products - 0.13%</b>	
2,762 Kimberly-Clark Corp.	335,611
<b>Electromedical &amp; Electrotherapeutic Apparatus - 0.14%</b>	
4,177 Medtronic PLC (Ireland)	344,101
<b>Electronic &amp; Other Electrical Equipment - 0.17%</b>	
4,327 Emerson Electric Co.	421,147
<b>General Industrial Machinery &amp; Equipment - 0.30%</b>	
1,773 Illinois Tool Works, Inc.	464,420
1,121 Nordson Corp.	296,123
	<hr/> 760,543
<b>Household Appliances - 0.23%</b>	
7,132 A.O. Smith Corp.	587,962
<b>Industrial Inorganic Chemicals - 0.39%</b>	
1,502 Air Products & Chemicals, Inc.	411,248
1,398 Linde AG PLC (Ireland)	574,173
	<hr/> 985,421
<b>Industrial Instruments for Measurement, Display, and Control - 0.19%</b>	
892 Roper Technologies, Inc.	486,292
<b>Men's &amp; Boy's Furnishings - 0.25%</b>	
1,070 Cintas Corp.	644,846
<b>Miscellaneous Food Preparations &amp; Kindred Products - 0.11%</b>	
4,083 McCormick & Company, Inc.	279,359
<b>Paints, Varnishes, Lacquers, Enamels &amp; Allied Products - 0.15%</b>	
2,496 PPG Industries, Inc.	373,277
<b>Perfumes, Cosmetics &amp; Other Toilet Preparations - 0.15%</b>	
4,751 Colgate-Palmolive Co.	378,702

*The accompanying notes are an integral part of these financial statements.*

# AZZAD WISE CAPITAL FUND

## SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

<u>Shares/Par</u>		<u>Fair Value</u>
<b>Petroleum Refining - 0.10%</b>		
890	Chevron Corp.	\$ 132,752
1,295	Exxon Mobil Corp.	129,474
		<hr/> 262,226
<b>Pharmaceutical Preparations - 0.37%</b>		
3,436	Abbott Laboratories	378,200
1,348	AbbVie, Inc.	208,900
2,319	Johnson & Johnson	363,480
		<hr/> 950,580
<b>Plastics, Materials, Synth Resins &amp; Nonvulcan Elastomers - 0.25%</b>		
4,428	Albemarle Corp.	639,757
<b>Retail-Building Materials, Hardware, Garden Supply - 0.19%</b>		
1,569	The Sherwin-Williams Co.	489,371
<b>Retail-Lumber &amp; Other Building Materials - 0.19%</b>		
2,186	Lowe's Companies, Inc.	486,494
<b>Retail-Variety Stores - 0.13%</b>		
2,324	Target Corp.	330,984
<b>Services-Consumer Credit Reporting, Collection Agencies - 0.12%</b>		
723	S&P Global, Inc.	318,496
<b>Soap, Detergent, Cleaning Preparations, Perfumes, Cosmetics - 0.48%</b>		
4,772	Church & Dwight Co., Inc.	451,240
2,036	Ecolab, Inc.	403,841
2,513	The Procter Gamble Co.	368,255
		<hr/> 1,223,336
<b>Special Industry Machinery (No Metalworking Machinery) - 0.19%</b>		
6,670	Pentair PLC (Ireland)	484,976
<b>Specialty Cleaning, Polishing &amp; Sanitation Preparations - 0.13%</b>		
2,400	The Clorox Co.	342,216
<b>Steel Works, Blasts Furnaces &amp; Rolling Mills (Coke Ovens) - 0.25%</b>		
3,699	Nucor Corp.	643,774
<b>Surgical &amp; Medical Instruments &amp; Apparatus - 0.50%</b>		
3,885	3M Co.	424,708
1,440	Becton, Dickinson & Co.	351,115
1,422	West Pharmaceutical Services, Inc.	500,715
		<hr/> 1,276,538
<b>Wholesale-Durable Goods - 0.29%</b>		
893	W.W. Grainger, Inc.	740,020
<b>Wholesale-Groceries &amp; Related Products - 0.15%</b>		
5,384	Sysco Corp.	393,732
<b>Wholesale-Motor Vehicle Supplies &amp; New Parts - 0.18%</b>		
3,268	Genuine Parts Co.	452,618
		<hr/> 16,668,914
<b>TOTAL FOR COMMON STOCKS (Cost \$10,916,464) - 6.53%</b>		<hr/>

*The accompanying notes are an integral part of these financial statements.*

# AZZAD WISE CAPITAL FUND

## SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

<u>Shares/Par</u>		<u>Fair Value</u>
<b>REAL ESTATE INVESTMENT TRUSTS - 0.20%</b>		
2,022	Essex Property Trust, Inc.	501,335
TOTAL FOR REAL ESTATE INVESTMENT TRUSTS (Cost \$542,659) - 0.20%		<u>501,335</u>
<b>SUKUKS - 65.68%</b>		
<b>Banks - 9.56%</b>		
2,000,000	AL Rajhi Sukuk, Ltd., Sr. Unsecd. Note, Series REGS, 4.750%, 04/05/2028 (Saudi Arabia)	1,990,660
1,000,000	AUB Sukuk, Ltd., Unsecd. Note, Series EMTN, 2.615%, 09/09/2026 (Bahrain)	918,190
2,000,000	Banque Saudi Fransi, Sr. Unsecd. Note, Series REGS, 4.750%, 05/31/2028 (Saudi Arabia)	1,975,000
5,500,000	DIB Sukuk, Ltd., Sr. Unsecd. Note, 2.950%, 02/20/2025 (United Arab Emirates)	5,340,214
3,450,000	KIB Sukuk Ltd., Sub., 2.375%, 11/30/2030 (Kuwait)	3,110,382
7,100,000	QIB Sukuk, Ltd., Unsecd. Note, Series EMTN, 3.982%, 03/26/2024 (Qatar)	7,066,431
4,000,000	QIIB Senior Sukuk, Ltd., Unsecd. Note, REGS, 4.264%, 03/05/2024 (Qatar)	3,986,840
		<u>24,387,717</u>
<b>Basic Materials - 3.04%</b>		
7,785,000	Equate Sukuk Spc Ltd. REGS, 3.944%, 02/21/2024 (Kuwait)	7,772,754
<b>Communications Equipment - 3.74%</b>		
5,600,000	Axiata Spv2 Bhd, 4.357%, 03/24/2026 (Malaysia)	5,524,472
2,380,000	Axiata Spv2 Bhd, Series REGS, 2.163%, 08/19/2030 (Malaysia)	2,027,117
2,000,000	ICD Sukuk Co. Ltd., 5.000%, 02/01/2027 (United Arab Emirates)	1,984,536
		<u>9,536,125</u>
<b>Shares/Par</b>		
<b>Energy - 4.52%</b>		
1,500,000	EDO Sukuk, Ltd., Sr. Unsecd. Note, Series 144A, 5.875%, 09/21/2033 (Oman) (1)	1,545,000
3,000,000	SA Global Sukuk, Ltd., Sr. Unsecd. Note, REGS, 0.946%, 06/17/2024 (Saudi Arabia)	2,938,179
6,500,000	SA Global Sukuk, Ltd., Sr. Unsecd. Note, Series 144A, 0.946%, 06/17/2024 (Saudi Arabia) (1)	6,353,750
800,000	SA Global Sukuk, Ltd., Sr. Unsecd. Note, Series 144A, 2.694%, 06/17/2031 (Saudi Arabia) (1)	707,906
		<u>11,544,835</u>
<b>Financial Services - 2.52%</b>		
	Air Lease Corp. Sukuk Ltd., Sr. Unsecd. Note, Series 144A, 5.850%, 04/01/2028 (United States) (1)	1,513,817
1,500,000		1,513,817
5,000,000	MAF Sukuk Ltd., Sr. Unsecd. Note, 4.500%, 11/03/2025 (United Arab Emirates)	4,925,685
		<u>6,439,502</u>
<b>Food and Beverage - 1.17%</b>		
3,000,000	Almarai Sukuk, Ltd., 4.311%, 03/05/2024 (Saudi Arabia)	2,991,870
<b>Home Construction - 7.12%</b>		
6,000,000	Aldar Sukuk Ltd., 4.750%, 09/29/2025 (United Arab Emirates)	5,954,988
3,000,000	Aldar Sukuk Ltd, Sr. Unsecd. Note, Series REGS, 4.875%, 05/24/2033 (United Arab Emirates)	2,928,648
2,500,000	Emaar Sukuk Ltd., Sr. Unsecd. Note, Series EMTN, 3.700%, 07/06/2031 (United Arab Emirates)	2,237,095
7,200,000	Esic Sukuk Ltd., 3.939%, 07/30/2024 (United Arab Emirates)	7,057,368
		<u>18,178,099</u>
<b>Real Estate - 3.56%</b>		
2,500,000	DIFC Investments LLC, Note, Series REGS, 4.325% 11/12/2024 (United Arab Emirates)	2,467,243
1,000,000	DAE Sukuk DIFC Ltd., Series 144A, 3.750%, 02/15/2026 (United Arab Emirates) (1)	960,220
5,700,000	EMG Sukuk Ltd., 4.564%, 06/18/2024 (United Arab Emirates)	5,663,400
		<u>9,090,863</u>

*The accompanying notes are an integral part of these financial statements.*



# AZZAD WISE CAPITAL FUND

## SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

<u>Shares/Par</u>		<u>Fair Value</u>
<b>Sovereigns - 22.04%</b>		
2,000,000	CBB International Sukuk Six, REGS, 5.250%, 03/20/2025 (Bahrain)	\$ 1,979,610
1,500,000	CBB International Sukuk Progr. Co., REGS, 6.250%, 11/14/2024 (Bahrain)	1,494,576
2,000,000	CBB International Sukuk Progr. SPC., REGS, 6.250%, 11/14/2024 (Bahrain)	1,997,022
1,500,000	CBB International Sukuk Progr. SPC., Series 144A, 3.950%, 09/16/2027 (Bahrain) (1)	1,419,375
1,000,000	CBB International Sukuk Progr. WLL., Series 144A, 3.875%, 05/18/2029 (Bahrain) (1)	909,960
1,000,000	CBB International Sukuk Progr. WLL., Sr. Unsecd., Series REGS, 3.875%, 05/18/2029 (Bahrain)	905,400
500,000	Egypt Taskeek Co., Sr. Unsecd. Series REGS, 10.875%, 02/28/2026 (Egypt)	491,017
2,000,000	Egypt Taskeek Co., Sr. Unsecd. Series 144A, 10.875%, 02/28/2026 (Egypt) (1)	1,954,292
1,000,000	Hazine Mustesarligi, Series 144A, 5.125%, 06/22/2026 (Turkey) (1)	967,310
2,400,000	Hazine Mustesarligi Varli, Series REGS, 5.125%, 06/22/2026 (Turkey)	2,330,772
3,000,000	Oman, Government, Series 144A, 4.397%, 06/01/2024 (Oman) (1)	2,979,000
2,500,000	Oman, Government, Sr. Unsecd. Series REGS, 4.397%, 06/01/2024 (Oman)	2,486,520
2,500,000	Oman, Government, Series 144A, 5.932%, 10/31/2025 (Oman) (1)	2,527,630
2,500,000	Perusahaan Pener Indois Sukuk, Series 144A, 2.300%, 06/23/2025 (Indonesia) (1)	2,410,000
3,800,000	Perusahaan Pener Indois Sukuk, Series REGS, 2.300%, 06/23/2025 (Indonesia)	3,663,200
3,500,000	Perusahaan Penerbit SBSN Indois Sukuk, Series REGS, 3.900%, 08/20/2024 (Indonesia)	3,472,000
1,685,000	Perusahaan Penerbit SBSN Indois Sukuk, Series 144A, 4.150%, 03/29/2027 (Indonesia) (1)	1,672,363
5,000,000	Perusahaan Penerbit SBSN Indois Sukuk, Series REGS, 4.150%, 03/29/2027 (Indonesia)	4,962,500
3,800,000	Perusahaan Penerbit SBSN Indois Sukuk, Series 144A, 3.900%, 08/20/2024 (Indonesia) (1)	3,769,600
2,500,000	Ras al-Khaimah, 3.094%, 03/31/2025 (United Arab Emirates)	2,429,158
4,000,000	Sharjah Sukuk Ltd., 3.854%, 04/03/2026 (United Arab Emirates)	3,886,508
2,800,000	Sharjah Sukuk Ltd., 3.764%, 09/17/2024 (United Arab Emirates)	2,764,829
1,500,000	Sharjah Sukuk Ltd., Series REGS, 3.234%, 10/23/2029 (United Arab Emirates)	1,347,876
2,000,000	Wakala Global Sukuk BHD, REGS, 3.043%, 04/22/2025 (Malaysia)	1,959,820
1,500,000	Wakala Global Sukuk BHD, REGS, 3.179%, 04/27/2026 (Malaysia)	1,457,498
		<hr/> 56,237,836
<b>Supranationals - 2.33%</b>		
6,068,000	IDB Trust Services, Ltd. REGS, 1.957%, 10/02/2024 (Supranational)	5,936,057
<b>Utilities - 5.22%</b>		
3,758,000	Saudi Electricity Global, Sr. Unsecd. Note REGS, 1.740%, 09/17/2025 (Saudi Arabia)	3,561,588
2,500,000	Saudi Electricity Global, Sr. Unsecd. Note REGS, 2.413%, 09/17/2030 (Saudi Arabia)	2,179,400
4,704,000	Tabreed Sukuk SPC, Ltd, Sr. Unsecd. Note REGS, 5.500%, 10/31/2025 (United Arab Emirates)	4,716,531
3,000,000	TNB Global Ventures Cap., Sr. Unsecd. Note, Series EMTN, 3.244%, 10/19/2026 (Malaysia)	2,861,055
		<hr/> 13,318,574
<b>Wireline Telecommunications Services - 0.86%</b>		
2,300,000	Saudi Telecom Co., Series 144A, 3.890%, 05/13/2029 (Saudi Arabia) (1)	2,188,649
		<hr/>
TOTAL FOR SUKUKS (Cost \$170,973,095) - 65.68%		<hr/> 167,622,881

The accompanying notes are an integral part of these financial statements.

# AZZAD WISE CAPITAL FUND

## SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

<u>Shares/Par</u>		<u>Acquisition Date (2)</u>	<u>Cost (2)</u>	<u>Fair Value</u>
<b>TRADE FINANCE AGREEMENTS - 1.94% (2) (5)</b>				
<b>Energy - Oil Refining and Marketing - 1.94%</b>				
658,692	Government of Egypt, 7.338%, (12-month SOFR +2.500%), 01/02/2024 (Egypt) (3)	01/03/2023	658,692	652,039
718,200	Government of Egypt, 7.293%, (12-month SOFR +2.500%), 01/12/2024 (Egypt) (3)	01/13/2023	717,565	710,946
704,231	Government of Egypt, 7.271%-7.296%, (12-month SOFR +2.500%), 01/29/2024 (Egypt) (3)	01/30/2023 - 01/31/2023	704,231	697,118
64,269	Government of Egypt, 7.755%-7.765%, (12-month SOFR +2.500%), 02/26/2024 (Egypt) (3)	02/27/2023 - 03/01/2023	64,269	63,621
476,003	Government of Egypt, 7.802%, (12-month SOFR +2.500%), 03/04/2024 (Egypt) (3)	03/06/2023	476,003	471,195
348,399	Government of Egypt, 7.427%, (12-months SOFR +2.500%), 05/24/2024 (Egypt) (3)	05/25/2023	348,399	344,880
25,481	Government of Egypt, 7.887%, (12-months SOFR +2.500%), 08/27/2024 (Egypt) (3)	08/24/2023	25,481	25,223
2,000,000	Turk Eximbank, 8.728%, (12-months SOFR +3.350%) 09/17/2024 (Turkey)	09/20/2023	1,988,000	2,000,000
TOTAL FOR TRADE FINANCE AGREEMENTS (Cost \$4,982,640) - 1.94%			<u>\$4,982,640</u>	<u>\$ 4,965,022</u>
<b>BANK TIME DEPOSITS - 21.99% (4)</b>				
15,481,434	Arab Banking Corp., NY Branch, 5.680%-5.800%, 01/12/2024-06/18/2024 (Bahrain)			15,481,434
13,636,632	Gulf International Bank (UK), 5.000%-5.200%, 01/16/2024-06/13/2024 (Bahrain)			13,636,632
14,810,644	Maybank Islamic Bank, 5.600%-5.720%, 01/16/2024-08/06/2024 (Malaysia)			14,810,644
12,194,343	Qatar National Bank, 5.890%-6.080%, 03/06/2024-09/13/2024 (Qatar)			12,194,343
TOTAL FOR BANK TIME DEPOSITS (Cost \$56,123,053) - 21.99%				<u>56,123,053</u>
TOTAL FOR INVESTMENTS (Cost \$243,537,911) ** - 96.34%				<u>245,881,205</u>
OTHER ASSETS LESS LIABILITIES, NET - 3.66%				<u>9,330,504</u>
NET ASSETS - 100.00%				<u>\$255,211,709</u>

\*\* Refer to Note 8 for Tax Cost.

(1) Denotes a restricted security that may be sold without restriction to "qualified institutional buyers" as defined in Rule 144A under the Securities Act of 1933 and that the Fund has determined to be liquid under criteria established by the Fund's Board of Trustees. At December 31, 2023 these liquid restricted securities amount to \$31,878,872, which represented 12.49% of total net assets.

(2) Denotes a restricted and/or an illiquid security that either: (a) cannot be offered for public sale without first being registered, or availing of an exemption from registration, under the Securities Act of 1933; or (b) is subject to a contractual restriction on public sales; or (c) is considered an illiquid security as defined by the Investment Company Act of 1940. At December 31, 2023, these restricted and/or illiquid securities amounted to \$4,965,022, which represented 1.94% of total net assets and are level 3 securities.

(3) Floating/variable note with current rate and current maturity or next reset date shown.

(4) Variable rate instrument, varying maturity dates ranging from one month to twelve months; 7 day demand redemption clause per deposit.

(5) Trade Finance Agreement rates shown are net of ITFC Mudarib Fee which range from 1% - 10%, depending on the agreement.

SOFR - Secured Overnight Financial Rate, a benchmark interest rate for dollar-denominated derivatives and loans.

The accompanying notes are an integral part of these financial statements.

# AZZAD FUNDS

## STATEMENTS OF ASSETS AND LIABILITIES DECEMBER 31, 2023 (UNAUDITED)

	<u>Azzad Ethical Fund</u>	<u>Azzad Wise Capital Fund</u>
Assets:		
Investment Securities at Fair Value (Cost \$106,763,408 and \$243,537,911, respectively)	\$ 138,870,299	\$ 245,881,205
Cash	4,067,631	6,800,134
Receivables:		
Shareholder Subscriptions	52,631	404,893
Dividends	32,482	30,872
Sukuk and Other Income	-	2,304,567
Prepaid Expenses	15,668	22,115
Total Assets	<u>143,038,711</u>	<u>255,443,786</u>
Liabilities:		
Shareholder Redemptions	13,017	31,086
Due to Adviser	80,614	148,461
Distribution Fees	8,301	17,190
Trustee Fees	2,052	3,187
Accrued Expenses	17,865	32,153
Total Liabilities	<u>121,849</u>	<u>232,077</u>
Net Assets	<u>\$ 142,916,862</u>	<u>\$ 255,211,709</u>
Net Assets Consist of:		
Paid In Capital	\$ 112,115,416	\$ 253,134,357
Distributable Earnings	30,801,446	2,077,352
Net Assets, for 8,610,841 and 24,043,237 Shares Outstanding, respectively	<u>\$ 142,916,862</u>	<u>\$ 255,211,709</u>
Net Asset Value Per Share	<u>\$ 16.60</u>	<u>\$ 10.61</u>

*The accompanying notes are an integral part of these financial statements.*

# AZZAD FUNDS

## STATEMENTS OF OPERATIONS

For the six months ended December 31, 2023 (UNAUDITED)

	<b>Azzad Ethical Fund</b>	<b>Azzad Wise Capital Fund</b>
Investment Income:		
Dividends	\$ 310,888	\$ 172,266
Sukuk Income	-	2,901,491
Other Income from Underlying Investments	-	1,552,369
Total Investment Income	<u>310,888</u>	<u>4,626,126</u>
Expenses:		
Advisory	525,413	967,900
Distribution	98,590	60,536
Legal	18,457	17,351
Transfer Agent	41,093	36,196
Audit	6,905	8,418
Registration and Filing Fees	17,608	16,759
Administrative	4,536	4,536
Custody	12,335	37,875
Printing	13,106	6,144
Trustee	2,015	3,025
Miscellaneous	13,616	11,960
Insurance	580	526
Total Expenses	<u>754,254</u>	<u>1,171,226</u>
Fees Waived by the Adviser	<u>(103,462)</u>	<u>(93,597)</u>
Net Expenses	<u>650,792</u>	<u>1,077,629</u>
Net Investment Income (Loss)	<u>(339,904)</u>	<u>3,548,497</u>
Realized and Unrealized Gain (Loss) on Investments and Foreign Currency Transactions:		
Realized Loss on Investments and Foreign Currency Transactions	(649,677)	(136,449)
Net Change in Unrealized Appreciation on Investments and Foreign Currency Transactions	<u>5,352,771</u>	<u>2,253,038</u>
Net Realized and Unrealized Gain on Investments and Foreign Currency Transactions	<u>4,703,094</u>	<u>2,116,589</u>
Net Increase in Net Assets Resulting from Operations	<u>\$ 4,363,190</u>	<u>\$ 5,665,086</u>

The accompanying notes are an integral part of these financial statements.

# AZZAD ETHICAL FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	(Unaudited)	
	Six Months	
	Ended	Year Ended
	<u>12/31/2023</u>	<u>6/30/2023</u>
<b>Increase (Decrease) in Net Assets From Operations:</b>		
Net Investment Loss	\$ (339,904)	\$ (661,433)
Net Realized Gain (Loss) on Investments	(649,677)	4,577,628
Unrealized Appreciation on Investments	<u>5,352,771</u>	<u>24,811,319</u>
Net Increase in Net Assets Resulting from Operations	<u>4,363,190</u>	<u>28,727,514</u>
<b>Distributions to Shareholders</b>	<u>(3,518,770)</u>	<u>(63,642)</u>
<b>Capital Share Transactions</b>	<u>4,453,825</u>	<u>2,829,125</u>
Total Increase in Net Assets	5,298,245	31,492,997
<b>Net Assets:</b>		
Beginning of Period/Year	<u>137,618,617</u>	<u>106,125,620</u>
End of Period/Year	<u>\$ 142,916,862</u>	<u>\$ 137,618,617</u>

*The accompanying notes are an integral part of these financial statements.*

# AZZAD WISE CAPITAL FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	(Unaudited)	
	Six Months	
	Ended	Year Ended
	<u>12/31/2023</u>	<u>6/30/2023</u>
<b>Increase (Decrease) in Net Assets From Operations:</b>		
Net Investment Income	\$ 3,548,497	\$ 4,466,222
Net Realized Loss on Investments	(136,449)	(55,574)
Unrealized Appreciation on Investments	<u>2,253,038</u>	<u>1,971,988</u>
Net Increase in Net Assets Resulting from Operations	<u>5,665,086</u>	<u>6,382,636</u>
<b>Distributions to Shareholders</b>	<u>(3,624,185)</u>	<u>(4,569,203)</u>
<b>Capital Share Transactions</b>	<u>21,047,267</u>	<u>19,097,810</u>
Total Increase in Net Assets	23,088,168	20,911,243
<b>Net Assets:</b>		
Beginning of Period/Year	<u>232,123,541</u>	<u>211,212,298</u>
End of Period/Year	<u>\$ 255,211,709</u>	<u>\$ 232,123,541</u>

*The accompanying notes are an integral part of these financial statements.*

# AZZAD ETHICAL FUND

## FINANCIAL HIGHLIGHTS

Selected data for a share outstanding throughout each period/year.

	(Unaudited)					
	Six Months					
	Ended	For the Years Ended				
12/31/2023	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	
Net Asset Value, at Beginning of Period/Year	\$ 16.52	\$ 13.05	\$ 20.13	\$ 15.57	\$ 14.84	\$ 14.18
Income From Investment Operations:						
Net Investment Income (Loss) *	(0.04)	(0.08)	(0.12)	(0.12)	(0.04)	0.00 ^
Net Gain (Loss) on Securities (Realized and Unrealized)	0.54	3.56	(4.53)	5.71	1.71	1.43
Total from Investment Operations	0.50	3.48	(4.65)	5.59	1.67	1.43
Distributions:						
Net Investment Income	0.00	0.00	0.00	0.00	0.00	0.00
Realized Gains	(0.42)	(0.01)	(2.43)	(1.03)	(0.94)	(0.77)
Total Distributions	(0.42)	(0.01)	(2.43)	(1.03)	(0.94)	(0.77)
Redemption Fees (a)	0.00	0.00	0.00	0.00 ^	0.00 ^	0.00 ^
Net Asset Value, at End of Period/Year	\$ 16.60	\$ 16.52	\$ 13.05	\$ 20.13	\$ 15.57	\$ 14.84
Total Return **	3.05% #	26.66%	(26.46)%	36.53%	11.63%	11.24%
Ratios/Supplemental Data:						
Net Assets at End of Period/Year (Thousands)	\$ 142,917	\$ 137,619	\$ 106,126	\$ 137,531	\$ 101,046	\$ 88,513
Before Waivers						
Ratio of Expenses to Average Net Assets	1.15% †	1.14%	1.12%	1.15%	1.15%	1.14%
Ratio of Net Investment Loss to Average Net Assets	(0.67)% †	(0.70)%	(0.82)%	(0.80)%	(0.42)%	(0.15)%
After Waivers						
Ratio of Expenses to Average Net Assets	0.99% †	0.99%	0.99%	0.99%	0.99%	0.99%
Ratio of Net Investment Income (Loss) to Average Net Assets	(0.52)% †	(0.55)%	(0.69)%	(0.64)%	(0.26)%	0.00%
Portfolio Turnover	14.83% #	27.88%	26.23%	64.12%	34.77%	49.29%

(a) The Fund charged a 2.00% redemption fee on shares redeemed within 90 days of purchase. Effective November 1, 2020, the Fund no longer charges a redemption fee on shares redeemed within 90 days of purchase.

\* Per share net investment income (loss) has been determined on the basis of average shares outstanding during the period.

\*\* Assumes reinvestment of dividends.

^ Amount calculated is less than \$0.005 per share.

† Annualized

# Not annualized

The accompanying notes are an integral part of these financial statements.

# AZZAD WISE CAPITAL FUND

## FINANCIAL HIGHLIGHTS

Selected data for a share outstanding throughout each period/year.

	(Unaudited)					
	Six Months Ended		For the Years Ended			
	12/31/2023	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Net Asset Value, at Beginning of Period/Year	\$ 10.54	\$ 10.45	\$ 11.00	\$ 10.65	\$ 10.57	\$ 10.43
Income From Investment Operations:						
Net Investment Income *	0.15	0.22	0.13	0.12	0.17	0.18
Net Gain (Loss) on Securities (Realized and Unrealized)	0.08	0.09	(0.50)	0.35	0.08	0.19
Total from Investment Operations	0.23	0.31	(0.37)	0.47	0.25	0.37
Distributions:						
Net Investment Income	(0.16)	(0.21)	(0.15)	(0.10)	(0.17)	(0.19)
Realized Gains	-	(0.01)	(0.03)	(0.02)	0.00	(0.04)
Total Distributions	(0.16)	(0.22)	(0.18)	(0.12)	(0.17)	(0.23)
Redemption Fees (a)	0.00	0.00	0.00	0.00 ^	0.00 ^	0.00 ^
Net Asset Value, at End of Period/Year	\$ 10.61	\$ 10.54	\$ 10.45	\$ 11.00	\$ 10.65	\$ 10.57
Total Return **	2.18% #	2.99%	(3.46)%	4.39%	2.41%	3.63%
Ratios/Supplemental Data:						
Net Assets at End of Period/Year (Thousands)	\$ 255,212	\$ 232,124	\$ 211,212	\$ 195,432	\$ 151,034	\$ 139,638
Before Waivers/Recoupment						
Ratio of Expenses to Average Net Assets	0.96% †	0.97%	0.98%	1.20% +	1.42%	1.43%
Ratio of Net Investment Income to Average Net Assets	2.85% †	1.98%	1.14%	1.01%	1.52%	1.58%
After Waivers/Recoupment						
Ratio of Expenses to Average Net Assets	0.89% †	0.89%	0.89%	1.08% +	1.29%	1.29%
Ratio of Net Investment Income to Average Net Assets	2.92% †	2.06%	1.23%	1.14%	1.64%	1.72%
Portfolio Turnover	7.18% #	24.00%	26.47%	22.06%	50.14%	39.40%

(a) The Fund charged a 2.00% redemption fee on shares redeemed within 90 days of purchase. Effective November 1, 2020, the Fund no longer charges a redemption fee on shares redeemed within 90 days of purchase.

\* Per share net investment income has been determined on the basis of average shares outstanding during the period.

\*\* Assumes reinvestment of dividends.

^ Amount calculated is less than \$0.005 per share.

+ As of January 1, 2021, the Adviser reduced its annual management fee to 0.80% of the average daily net assets and reduced its annual fund operating expenses after fee waiver and/or expense reimbursement to 0.89% of the average daily net assets.

† Annualized

# Not annualized

*The accompanying notes are an integral part of these financial statements.*



# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023 (UNAUDITED)

### **Note 1. Organization**

The Azzad Funds (the "Trust" or "Funds") is an open-end management investment company under the Investment Company Act of 1940, as amended, (the "1940 Act"). The Trust was organized as a Massachusetts business trust on December 16, 1996. The Trust is comprised of the following Funds: The Azzad Ethical Fund (the "Ethical Fund"), which commenced operations on December 22, 2000 and is a registered, diversified fund, and the Azzad Wise Capital Fund (the "Wise Fund"), which commenced operations on April 6, 2010 and is a registered, diversified fund, (collectively the "Funds"). Azzad Asset Management, Inc. ("Adviser") is the investment adviser to both Funds (see Note 4).

The Ethical Fund's primary investment objective is to provide shareholders with long-term total returns using means that are consistent with the Adviser's ethical principles.

The Wise Fund's primary investment objective is to provide shareholders with capital preservation and income.

The Funds should be considered long-term investments and are not appropriate for short-term goals. The Funds may also be used in all types of retirement and college savings plans including separately managed (wrap) programs.

Each of Ethical Fund's and Wise Fund's classifications are "diversified" for purposes of the 1940 Act. This means that each Fund, with respect to 75% of its total assets, may not purchase the securities of any issuer (except securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities or securities issued by other investment companies) if, as a result (i) more than 5% of such Fund's total assets would be invested in securities of that issuer, or (ii) such Fund would hold more than 10% of the outstanding voting securities of that issuer.

### **Note 2. Summary of Significant Accounting Policies**

*The following is a summary of the significant accounting policies followed by the Funds in the preparation of its financial statements. The Funds follow the accounting and reporting guidance of Financial Accounting Standards Board Accounting Standard Codification 946 and Accounting Standards Update 2013-08 applicable to investment companies.*

*Security Valuation* – All investments in securities are recorded at their estimated fair value, as described in Note 3.

*Foreign Currency* – Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions.

The Funds do not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, income, and foreign withholding taxes recorded on each of the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period-end, resulting from changes in exchange rates.

*Security Transactions and Related Investment Income-* Investment transactions are accounted for on the trade date. Realized gains and losses from security transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend date. Withholding taxes on foreign dividends have been provided for in accordance with the Funds' understanding of the applicable country's tax rules and rates. Net realized gain/(loss) on the statement of operations also includes realized gain distributions received from Real Estate Investment Trusts ("REITS"). Distributions of net realized gains are recorded on the REIT's ex-dividend date. Sukuk income and income from other investments in the Wise Fund are recorded on an accrual basis. Discounts and premiums on securities purchased are amortized over the life of the respective security.

*Federal Income Taxes-* The Funds make no provision for federal income or excise tax. The Funds intend to qualify each year as regulated investment companies ("RICs") under subchapter M of the Internal Revenue Code of 1986, as amended, by complying with the requirements applicable to RICs and by distributing substantially all of their taxable income. The Funds also intend to distribute sufficient net investment income and net capital gains, if any, so that they will not be subject to excise tax on undistributed income and gains. If the required amount of net investment income or gains is not distributed, the Funds could incur a tax expense. Therefore, no federal income tax or excise provision is required.

The Funds recognize the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained, assuming examination by tax authorities. Management has analyzed the Funds' tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years (2020-2022) or expected to be taken on the Funds' 2023 tax returns. The Funds identify their major tax jurisdiction as U.S. Federal, however the Funds are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.

The Funds recognize interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the six months ended December 31, 2023, the Funds did not incur any interest or penalties.

*Cash* – During the ordinary course of business, the Funds hold cash balances at a major financial institution that are held to meet short-term liquidity requirements, rather than for investment purposes. The cash balances may exceed federally insured limits. The Funds have not experienced losses on these accounts, and management believes the Funds are not exposed to significant risks on such accounts.

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

*Restricted and Illiquid Securities* - Each Fund may invest up to 15% of its net assets in securities that are considered to be illiquid. A security is considered to be illiquid if it cannot be sold or disposed of in the ordinary course of business within seven days at approximately the value at which the Fund has valued the security. Examples of illiquid securities include securities that have a limited trading market, securities that are sold in private placements without being registered for public sale under the Securities Act of 1933, as amended (the "1933 Act"), and are therefore subject to restrictions on resale, and other securities that are subject to restrictions on resale. Certain restricted securities such as commercial paper issued under Section 4(a)(2) of the 1933 Act and domestically traded securities that are not registered under the 1933 Act, but are regularly traded among qualified institutional buyers because they are exempt from registration under 1933 Act Rule 144A, may be treated as liquid securities by the Adviser, for purposes of the 15% limitation, pursuant to procedures adopted by the Board of Trustees of the Trust (the "Board"), which require consideration of factors such as trading activity, availability of market quotations and number of dealers willing to purchase the security.

*Dividends and Distributions to Shareholders*- The Ethical Fund intends to distribute substantially all of its net investment income as dividends to their shareholders on at least an annual basis. Net investment income in Wise Fund, if any, is declared as dividends and paid monthly. The Funds intend to distribute their net realized capital gains at least once a year. Distributions to shareholders, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date. The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from their ultimate treatment for federal income tax purposes. These differences are caused primarily by differences in the timing of the recognition of certain components of income, expenses or realized capital gain for federal income tax purposes. Where such differences are permanent in nature, they are reclassified in the components of the net assets based on their ultimate characterization for federal income tax purposes. Any such reclassifications will have no effect on net assets, results of operations or net asset value per share of the Funds. Please see Note 8 for additional information on dividends paid.

*Estimates*- The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

### **Note 3. Securities Valuations**

#### ***Processes and Structure***

In computing net asset value, portfolio securities of the Fund are generally valued at their current market values determined on the basis of readily available market quotations, when available. If market quotations are not readily available, securities are valued at fair value as determined in good faith by the Adviser, in its capacity as the Board's valuation designee, pursuant to Rule 2a-5 under the 1940 Act. As a general matter, fair value represents the amount that a Fund could reasonably expect to receive if such Fund's investment in the security were sold at the time of valuation. The Adviser may utilize its valuation committee

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

and third parties to assist the Adviser in its capacity as valuation designee, based upon information available at the time the valuation is made and that the Adviser believes to be reliable.

The Board has approved the Adviser as valuation designee and has adopted written Pricing and Valuation Procedures (the "Procedures") governing the fair valuation of securities, and has delegated authority to the Adviser to apply those methods in making fair value determinations, subject to Board oversight. The Adviser has established a valuation committee to assist with the implementation of these Procedures. The valuation designee has the responsibility of determining the fair value of each of the Fund's securities or other assets in the absence of readily available market quotations. The valuation designee also reviews the Funds' Procedures to make sure they continue to be appropriate for the Funds. The valuation designee reviews its own fair value decisions and reports to the Board on all fair valuation decisions that are made. The Board reviews all valuation decisions made by the valuation designee and evaluates whether the valuation committee is adhering to the Funds' Procedures and whether the Procedures continue to be appropriate for the Funds.

### ***Hierarchy of Fair Value Inputs***

The Funds utilize various methods to measure the fair value of most of their investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The three levels of inputs are as follows:

- *Level 1.* Unadjusted quoted prices in active markets for identical assets or liabilities that the Funds have the ability to access.
- *Level 2.* Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- *Level 3.* Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Funds' own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

### *Fair Value Measurements*

A description of the valuation techniques applied to each Fund's major categories of assets and liabilities measured at fair value on a recurring basis follows.

*Equity securities (common stock and real estate investment trusts).* Securities traded on a national securities exchange (or reported on the NASDAQ national market) are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded, and valuation adjustments are not applied, they are categorized in level 1 of the fair value hierarchy. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments such as American Depositary Receipts, financial futures, Exchange Traded Funds, and the movement of the certain indexes of securities based on a statistical analysis of the historical relationship and that are categorized as level 2 investments in the fair value hierarchy.

*Sukuks.* The Wise Fund invests in Sukuks. Sukuks are used to finance projects and asset acquisitions while avoiding the Islamic prohibition on interest. Whereas bonds represent a debt ownership, a sukuk certificate represents ownership or interest in a tangible asset, or the usufruct of an asset. They are therefore considered to be asset-based securities. Sukuks grant investors a proportionate beneficial ownership of the underlying asset, along with its associated risks and potential cash flows. Underlying assets may include, without limitation, real estate (developed and undeveloped), infrastructure projects, lease contracts and machinery and equipment. While the certificate is linked to the returns generated by certain assets of the issuer, the underlying assets are not pledged as security for the certificates, and the Wise Fund (as the investor) is relying on the creditworthiness of the issuer for all payments required by the Sukuk. Sukuk certificate holders share the risk of the underlying asset. If the assets on which sukuk are issued do not perform as well as expected, the sukuk investor will bear a share of the loss. Unlike conventional bonds, sukuks do not earn interest payments.

Sukuks may be issued by international financial institutions, foreign governments and agencies of foreign governments and even global corporations. Like conventional bonds, rating agencies rate Sukuks based on their credit quality and the issuer's ability to pay investors. Sukuks receive ratings that look exactly like conventional bonds. At December 31, 2023, 65.68% of the Wise Fund's net assets were invested in Sukuks. These instruments are categorized as level 2 investments in the fair value hierarchy.

*Trade Finance Agreements.* Trade finance agreements in which the Wise Fund may invest consist primarily of loans or similar instruments used to finance international trade and related infrastructure projects, such as, for example, facilities for pre-export finance, process and commodities finance, receivables financing, factoring or forfeiting, trade credit insurance, letters of credit and other documentary credits, documentary collection, promissory notes, bills of exchange and other negotiable instruments. The Wise Fund may invest in such investments by way of purchase, assignment, participation, guarantee, insurance or another financial instrument. Trade finance agreement transactions may include both domestic and international transactions, and may include sellers of goods or services, buyers of such goods or services, intermediaries such as banks and other financial institutions as lenders, insurers, and other parties. A trade finance agreement transaction can involve various structures. For example, while a seller (or exporter) can require a purchaser (an importer) to prepay for goods shipped, the purchaser (importer) may wish to reduce risk by requiring the seller to document the goods

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

that have been shipped. Banks, financial institutions or other lenders may assist by providing various forms of support, such as a letter of credit provided by the importer's bank to the exporter (or the exporter's bank) providing for payment upon presentation of certain documents (for example, a bill of lading). The exporter's bank also may make a loan (by advancing funds) to the exporter on the basis of the export contract.

Trade Finance agreements are located primarily in or have exposure to global emerging markets. As such, the Wise Fund is subject to all of the risks typical to investments generally made in emerging markets. In addition, the Wise Fund is subject to risks specific to the trade finance agreements asset class such as liquidity risk, credit rating risk, and counter-party risk. The Wise Fund will only invest in trade finance agreements related securities if it is determined that this investment is in accordance with the Wise Fund's ethical investment philosophy. Trade finance agreements are categorized as level 3 investments in the fair value hierarchy. Trade finance agreements are considered illiquid securities as defined by the 1940 Act. The Wise Fund's investments in trade finance agreements at December 31, 2023 represented 1.94% of the Wise Fund's net assets.

*Bank Time Deposits.* In a typical bank deposit, a bank raises funds to invest in various commercial activities from its investors. The bank and its investors both share in the profit and risk of loss of investment in such activities. The bank is responsible for monitoring the underlying investments to make sure that they will achieve the anticipated profit rate agreed upon in the contract on the maturity date. If the bank makes any profit by the maturity date, the profits are shared with investors according to a pre-agreed ratio. Conversely, if a loss is made, it is borne by the investors in the absence of gross negligence, fraud or willful default by the bank. The bank provides investors with monthly indicative profit rates for their investments. Bank time deposits are categorized as level 2 investments in the fair value hierarchy. The Wise Fund's investments in bank deposits represented 21.99% of its net assets at December 31, 2023.

The following tables summarize the inputs used to value each Fund's assets measured at fair value as of December 31, 2023:

### Ethical Fund

### Financial Instruments – Assets

<i>Categories</i>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Common Stocks *	\$138,870,299	\$ -	\$ -	\$138,870,299
	<u>\$138,870,299</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$138,870,299</u>

There were no significant transfers into or out of level 1, level 2, or level 3 during the period. It is the Ethical Fund's policy to recognize transfers into and out of level 1, level 2, and level 3 at the end of the reporting period. The Ethical Fund did not hold any derivative instruments at any time during the six months ended December 31, 2023.

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

<u>Wise Fund</u>	<u>Financial Instruments – Assets</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Common Stocks *	\$ 16,668,914	\$ -	\$ -	\$ 16,668,914
Real Estate Investment Trusts	501,335	-	-	501,335
Sukuks *	-	167,622,881	-	167,622,881
Trade Finance Agreements *	-	-	4,965,022	4,965,022
Bank Time Deposits	-	56,123,053	-	56,123,053
	<u>\$ 17,170,249</u>	<u>\$ 223,745,934</u>	<u>\$ 4,965,022</u>	<u>\$ 245,881,205</u>

\* Industry classifications for these categories are detailed in each Fund's Schedule of Investments.

There were no significant transfers into or out of level 1, level 2 or level 3 during the period. It is the Wise Fund's policy to recognize transfers into and out of level 1, level 2 and level 3 at the end of the reporting period.

Following is a reconciliation of level 3 assets for which significant unobservable inputs were used to determine fair value:

	<u>Investments in Trade Finance Agreements</u>
Balance as of 6/30/2023	\$ 6,113,715
Change in Unrealized Appreciation	155,023
Realized Gain/(Loss)	-
Purchases	1,988,000
Sales	(3,291,716)
Transfers In/(Out) of Level 3	-
Balance as of 12/31/2023	<u>\$ 4,965,022</u>

The Wise Fund uses a pricing service to provide price evaluations for level 3 Trade Finance Agreements. The values supplied by the pricing service under this agreement are determined by market quotations where such quotations are available, fair value where market quotations are not available. Unless otherwise stated the valuations are marked Mid-Market for each transaction and are derived from proprietary models. The quantitative unobservable inputs used by the pricing service may be based upon a number of factors including, but not limited to, current prices quoted, valuation of underlying assets, market liquidity, the pricing service's proprietary models and assumptions (which are subject to change without notice) and publicly available information.

#### **Note 4. Transactions with the Adviser and Affiliates**

*Advisory Agreements* – At a meeting of the Board held on May 26, 2023, the Board approved separate interim investment advisory agreements between the Trust and Azzad Asset Management, Inc. (the "Adviser"), on behalf of each Fund (each, an "Interim Agreement") to

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

take effect as of June 1, 2023 following the change of control of the Adviser. At the meeting of the Board held on May 26, 2023, the Board also approved separate investment advisory agreements between the Trust and the Adviser, on behalf of each Fund (each an “Advisory Agreement”), subject to approval by each Fund’s respective shareholders. Except for the commencement date and limited term of 150 days under the Interim Agreements, the Interim Agreements and the Advisory Agreements are otherwise identical in all material respects to the Adviser’s prior investment advisory agreements that were in effect until May 31, 2023.

From June 1, 2023 through August 15, 2023, the Adviser served as the interim investment adviser to the Ethical Fund and the Wise Fund under the Interim Agreements. Pursuant to the Interim Agreements, the Adviser provided investment advisory services to the Funds and all investment advisory fees were held in escrow until shareholders for each Fund approved the Advisory Agreements. The special shareholder meeting was held on August 15, 2023 and shareholders for each Fund approved each Advisory Agreement and the advisory fees were distributed to the Adviser.

Under the Advisory Agreements that became effective on August 15, 2023, the Adviser furnishes management and investment advisory services and, subject to the supervision of the Board, directs the investments of the Trust in accordance with the Funds’ investment objectives, policies and limitations. For this service, the Adviser receives a monthly management fee at the annual rate of 0.80% of the average daily net assets for each of the Ethical Fund and the Wise Fund.

For the six months ended December 31, 2023, the Adviser earned \$138,633 and \$235,426 in advisory fees for the Ethical Fund and Wise Fund, respectively under the Interim Agreements. For the six months ended December 31, 2023, the Adviser earned \$386,780 and \$732,474 in advisory fees for the Ethical Fund and Wise Fund, respectively under the Advisory Agreements. As of December 31, 2023, the Adviser was owed \$79,850 and \$147,697 in advisory fees for the Ethical Fund and Wise Fund, respectively.

The Adviser has agreed to contractually waive all or a portion of its fees or reimburse each Fund for certain operating expenses, to the extent necessary to limit each Fund’s net annual operating expenses (excluding brokerage costs; borrowing costs, including without limitation dividends on securities sold short; taxes; indirect expenses, such as expenses incurred by other investment companies in which the Funds invest; and litigation and other extraordinary expenses) to 0.99% and 0.89% of the average daily net assets of the Ethical Fund and Wise Fund, respectively until at least December 1, 2029. Any waiver or reimbursement of operating expenses by the Adviser is subject to repayment by the respective Fund within three years after such reimbursement or waiver occurred, if the Board approves such reimbursement and the Fund is able to make the repayment without exceeding the expense limitations in place at either the time of the waiver or reimbursement occurred or any expense limitation then in effect. For the six months ended December 31, 2023, the Adviser waived fees of \$103,462 for the Ethical Fund and \$93,597 for the Wise Fund.

The Adviser may be entitled to reimbursement of fees waived or expenses paid by the Adviser from each Fund. The amount of fees waived or expenses paid may be reimbursed to the Adviser during the following three-year period to the extent that payment of such expenses does not cause a Fund to exceed the expense limitation. As of June 30, 2023, the



# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

unreimbursed amounts paid or waived by the Adviser on behalf of the Ethical Fund and Wise Fund are \$543,831 and \$591,859, respectively. As of June 30, 2023, amounts subject to future recoupment are as follows:

<u>Fiscal Year Ended</u>	<u>Recoverable in Fiscal Year Ending</u>	<u>Ethical Fund</u>	<u>Wise Fund</u>
June 30, 2021	June 30, 2024	\$ 189,591	\$ 221,139
June 30, 2022	June 30, 2025	\$ 174,187	\$ 192,972
June 30, 2023	June 30, 2026	\$ 180,053	\$ 177,748

*Sub-Advisory Agreement* – The Adviser entered into a Sub-Advisory Agreement with Delaware Investments Fund Advisers (“DIFA”) on August 15, 2023, on behalf of the Ethical Fund. Under the Sub-Advisory Agreement between the Adviser and DIFA, DIFA earns an annual sub-advisory fee equal to a flat fee of 0.25% of the Ethical Fund’s average daily net assets. The sub-advisory fee was paid to DIFA by the Adviser, not the Ethical Fund directly, and therefore is included in the advisory fees paid by the Ethical Fund. For the six months ended December 31, 2023, DIFA earned \$164,665 in sub-advisory fees for the Ethical Fund.

The Adviser entered into a Sub-Advisory Agreement with Federated Investment Management Company (“Federated”) on August 15, 2023, on behalf of the Wise Fund. The sub-advisory fee paid to Federated is paid by the Adviser, not the Wise Fund and therefore is included in the advisory fees paid by the Wise Fund. The Wise Fund receives additional research services and investment management expertise, from a reputable investment manager without any additional expense to the Wise Fund. For the six months ended December 31, 2023, Federated earned \$272,486 in sub-advisory fees for the Wise Fund.

The Adviser entered into a Sub Sub-Advisory Agreement with Federated and Federated Hermes (UK) LLP (“Federated Hermes”) on August 15, 2023, on behalf of the Wise Fund. Federated and the Adviser retained Federated Hermes, an affiliate of Federated, to provide assistance in carrying out Federated’s duties as the Wise Fund’s sub-adviser. The Adviser oversees each of Federated and Federated Hermes and will be responsible for the day-to-day portfolio management of the Wise Fund related to the dividend-yielding equity portion of the Wise Fund’s portfolio and for ensuring that the Wise Fund’s holdings and portfolio management complies with its ethical investment restrictions. Under the terms of the Sub-Subadvisory Agreement, Federated Hermes’ sub-subadvisory fee is paid by Federated, from the sub-advisory fee that Federated receives, and not directly by the Fund or the Adviser, and therefore does not increase the advisory fees paid by the Wise Fund.

*Administrative Agreement* - The Funds have an Administrative Agreement with the Adviser. Pursuant to the Administrative Agreement, the Adviser, subject to the overall supervision and review of the Board, provides administrative services to the Funds, provides the Funds with office space, facilities and business equipment, and provides the services and clerical personnel for administering the affairs of the Funds. As such, each of the Funds pays the Adviser \$750 per month, per Fund. For the six months ended December 31, 2023, the Adviser earned \$4,536 from each Fund for administrative services. As of December 31, 2023, the Ethical Fund and the Wise Fund each owed the Adviser \$764 in administrative fees.

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

### Note 5. Capital Share Transactions

Each Fund is authorized to issue an unlimited number of shares. There is no par-value on the capital stock.

The following is a summary of capital share activity for the six months ended December 31, 2023 and for the year ended June 30, 2023:

<b>Ethical Fund</b>	<u>Six Months Ended 12/31/2023</u>		<u>Year Ended 6/30/2023</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares Sold	833,077	\$ 12,949,596	1,213,294	\$ 17,537,275
Shares issued in reinvestment of distributions	211,106	3,470,579	4,544	62,976
Shares redeemed	<u>(762,769)</u>	<u>(11,966,350)</u>	<u>(1,021,034)</u>	<u>(14,771,126)</u>
Net Increase	<u>281,414</u>	<u>\$ 4,453,825</u>	<u>196,804</u>	<u>\$ 2,829,125</u>

As of December 31, 2023, paid-in-capital totaled \$112,115,416.

The following is a summary of capital share activity for the six months ended December 31, 2023 and for the year ended June 30, 2023:

<b>Wise Fund</b>	<u>Six Months Ended</u> <u>12/31/2023</u>		<u>Year Ended 6/30/2023</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares Sold	4,298,793	\$ 45,115,476	5,118,407	\$ 53,714,902
Shares issued in reinvestment of distributions	341,020	3,584,947	431,223	4,517,203
Shares redeemed	<u>(2,624,041)</u>	<u>(27,653,156)</u>	<u>(3,731,091)</u>	<u>(39,134,295)</u>
Net Increase	<u>2,015,772</u>	<u>\$ 21,047,267</u>	<u>1,818,539</u>	<u>\$ 19,097,810</u>

As of December 31, 2023, paid-in-capital totaled \$253,134,357.

### Note 6. Investment Transactions

For the six months ended December 31, 2023, purchases and sales of investment securities other than short-term investments aggregated \$20,326,259 and \$18,957,321 respectively, for the Ethical Fund. For the six months ended December 31, 2023, the purchases and sales of investment securities other than short-term investments aggregated \$32,450,511 and \$12,480,765, respectively, for the Wise Fund.

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

### Note 7. Concentration of Risk

The Wise Fund invests in securities of non-U.S. and U.S. issuers. Political or economic developments may have an effect on the liquidity and volatility of portfolio securities and currency holdings. As of December 31, 2023, the diversification of countries was as follows:

Country	Percentage of Net Assets
United Arab Emirates	21.42%
Bahrain	15.19%
Malaysia	11.21%
Saudi Arabia	9.74%
Qatar	9.11%
Indonesia	7.82%
United States	6.78%
Kuwait	4.26%
Oman	3.74%
Supranational	2.33%
Egypt	2.13%
Turkey	2.07%
Ireland	0.54%

Investing in foreign securities involves risks not typically associated with U.S. investments, including, among others, adverse fluctuations in foreign currency values as well as adverse political, social, and economic developments affecting a foreign country, less publicly available information, more volatile or less liquid securities markets, restrictions on receiving the investment proceeds from a foreign country, foreign tax laws, potential difficulties in enforcing contractual obligations, less revealing accounting practices, inadequate or irregular regulation, and more volatile performance. Foreign financial markets may also have fewer investor protections. Foreign companies may also receive less coverage than U.S. companies by market analysts and the financial press. These factors may prevent the Wise Fund and the Adviser from obtaining information concerning foreign companies that is as frequent, extensive, and reliable as the information available concerning companies in the U.S. There is also the risk of confiscation, taxation, currency blockage, or political or social instability.

The economy of the United Arab Emirates (UAE), in which the Wise Fund makes investments, is dominated by petroleum exports. A sustained decrease in commodity prices, particularly oil and natural gas, could have a negative impact on all aspects of the UAE economy and the Wise Fund. The non-oil UAE economy, which is concentrated in Dubai's service sector, could be affected by declines in tourism, real estate, banking and re-export trade. The UAE and the governments of the individual emirates exercise substantial influence over many aspects of the private sector. Governmental actions could have a significant effect on economic conditions in the UAE, which could adversely affect the value of the Wise Fund. In addition, political instability and protests the Middle East may cause disruptions to many industries. Continued political and social unrest in these areas may adversely affect the value of the Wise Fund.

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

**Concentration Risk:** To the extent that either the Ethical Fund or Wise Fund are concentrated in a particular sector or group of sectors, the Fund may be susceptible to loss due to adverse occurrences affecting that sector or group of sectors.

**Technology Sector Risk:** For the Ethical Fund, investment risks associated with investing in the information technology sector, in addition to other risks, include the intense competition to which information technology companies may be subject; the dramatic and often unpredictable changes in growth rates and competition for qualified personnel among information technology companies; effects on profitability from being heavily dependent on patent and intellectual property rights and the loss or impairment of those rights; obsolescence of existing technology; general economic conditions; and government regulation.

### Note 8. Tax Matters

As of June 30, 2023, the tax basis components, unrealized appreciation (depreciation) and cost of investment securities were as follows:

	<u>Ethical Fund</u>	<u>Wise Fund</u>
Federal tax cost of investments, including short-term investments	<u>\$106,044,147</u>	<u>\$222,645,206</u>
Gross tax appreciation of investments	\$ 36,427,095	\$ 6,278,172
Gross tax depreciation of investments	<u>\$ (9,672,975)</u>	<u>\$ (6,187,916)</u>
Net tax appreciation	<u>\$ 26,754,120</u>	<u>\$ 90,256</u>

Income and long-term capital gain distributions are determined in accordance with Federal income tax regulations, which may differ from accounting principles generally accepted in the United States. The Funds' tax basis capital gains and losses and undistributed ordinary income are determined at the end of each fiscal year. As of June 30, 2023 the Funds' most recent fiscal year-end, components of distributable earnings on a tax basis were as follows:

	<u>Ethical Fund</u>	<u>Wise Fund</u>
Unrealized appreciation on investments	\$ 26,754,120	\$ 90,256
Undistributed ordinary income	-	1,769
Long-term Capital Loss Carryforward – Non-expiring	-	(20,645)
Short-term Capital Loss Carryforward – Non-expiring	-	(34,929)
Post-December net investment loss	(315,858)	-
Undistributed long-term capital gains	<u>3,518,764</u>	<u>-</u>
	<u>\$ 29,957,026</u>	<u>\$ 36,451</u>

Under current tax law, certain capital losses realized after October 31, and certain ordinary losses realized after December 31 but before the end of the fiscal year ("Post-October Losses" and "Late Year Losses", respectively) may be deferred and treated as occurring on the first business day of the following fiscal year. The Ethical Fund incurred and elected to defer \$315,858 of such late year losses.

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

As of June 30, 2023, the Wise Fund has a capital loss carryforward available for federal income tax purposes, which can be used to offset future capital gains, as follows:

Long-term non-expiring	\$ (20,645)
Short-term non-expiring	\$ (34,929)

The Ethical Fund has recorded a reclassification in the capital accounts. As of June 30, 2023, the Ethical Fund recorded permanent book/tax differences of \$747,256 from net investment loss to paid-in-capital. This reclassification has no impact on the net asset value of the Fund.

The Funds paid the following distributions for the six months ended December 31, 2023 and year ended June 30, 2023:

<b>Ethical Fund</b>		
<u>Six Months Ended</u>	<u>Amount</u>	<u>Tax Character</u>
12/31/2023	\$ 3,518,770	Long-Term Capital Gain
<u>Year Ended</u>	<u>Amount</u>	<u>Tax Character</u>
6/30/2023	\$ 63,642	Long-Term Capital Gain
<b>Wise Fund</b>		
<u>Six Months Ended</u>	<u>Amount</u>	<u>Tax Character</u>
12/31/2023	\$ 3,624,185	Ordinary Income
<u>Year Ended</u>	<u>Amount</u>	<u>Tax Character</u>
6/30/2023	\$ 4,469,737	Ordinary Income
6/30/2023	\$ 99,466	Long-Term Capital Gain

### **Note 9. Distribution Plan**

The Funds maintain that certain Amended and Restated Distribution Plan (the “Plan”) pursuant to Rule 12b-1 under the 1940 Act, that allows each Fund to pay distribution expenditures incurred in connection with the sale and promotion of such Fund and the furnishing of services to shareholders of the Fund. The Plan provides that the Fund may pay up to a maximum on an annual basis of 0.15% and 0.05% of the average daily value of the net assets of Ethical Fund and Wise Fund, respectively. Under the Plan, permitted expenditures include: (a) payments, including incentive compensation, to securities dealers or other financial intermediaries, financial institutions, investment advisers and others that are engaged in the sale of Shares, or that may be advising shareholders of the Fund regarding the purchase, sale or retention of Shares; (b) payments, including incentive compensation, to securities dealers or other financial intermediaries, financial institutions, investment advisers and others that hold Shares for shareholders in omnibus accounts or as shareholders of record or provide shareholder support or administrative services to the Fund’s shares and their shareholders; (c) expenses of maintaining personnel (including personnel of organizations with which the Trust has entered into agreements related to the Plan) who engage in or support distribution of Shares or who render shareholder support services, including, but not limited to, allocated overhead, office space and equipment, telephone facilities and expenses, answering routine inquiries regarding the Trust, processing shareholder transactions, and providing such other shareholder services as the Trust may reasonably request; (d) costs of preparing, printing and distributing

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

prospectuses and statements of additional information and reports for each Fund's shares for recipients other than existing shareholders; (e) costs of formulating and implementing marketing and promotional activities, including, but not limited to, sales seminars, direct mail promotions and television, radio, newspaper, magazine and other mass media advertising; (f) costs of preparing, printing and distributing sales literature; (g) costs of obtaining such information, analyses and reports with respect to marketing and promotional activities as the Trust may, from time to time, deem advisable; and (h) costs of implementing and operating the Plan. The Trust is authorized to engage in the activities listed above, and in any other activities related to the distribution of Shares, either directly or through other persons with which the Trust has entered into agreements related to the Plan. Because these expenses are paid out of each Fund's respective assets on an ongoing basis, over time these expenses may increase the cost of a shareholder's investment and may cost a shareholder more than paying other types of sales charges. For the six months ended December 31, 2023, the Ethical Fund incurred \$98,590 in distribution fees and the Wise Fund incurred \$60,536 in distribution fees.

### **Note 10. Control and Ownership**

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a Fund creates a presumption of control of the funds under Section 2(a)(9) of the 1940 Act. As of December 31, 2023, Charles Schwab & Co., Inc. ("Schwab"), in aggregate, owned approximately 62% and 79% of the shares of the Ethical Fund and the Wise Fund, respectively, for the benefit of others. As a result, Schwab may be deemed to control both Funds.

### **Note 11. Indemnifications**

In the normal course of business, each Fund enters into contracts that contain general indemnification to other parties. A Fund's maximum exposure under these contracts is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. The Funds expect the risk of loss to be remote.

### **Note 12. Market Risk**

Overall market risks may affect the value of the Funds. Factors such as domestic economic growth and market conditions, interest rate levels and political events affect the securities markets. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions and depressions, or other events could have a significant impact on the Fund and its investments and could result in increased premiums or discounts to the Fund's net asset value, and may impair market liquidity, thereby increasing liquidity risk. The Funds could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns. During a general market downturn, multiple asset classes may be negatively affected. Changes in market conditions and interest rates can have the same impact on all types of securities and instruments.

### **Note 13. New Accounting Pronouncements**

In March 2022, the U.S. federal government enacted the Adjustable Interest Rate (LIBOR) Act (the "LIBOR Act") to establish a process for replacing LIBOR in certain existing contracts that do not already provide for the use of a clearly defined and practicable replacement benchmark rate as described in the LIBOR Act. Generally, for contracts that do not contain clear and practicable fallback provisions as described in the LIBOR Act, a benchmark replacement

# AZZAD FUNDS

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2023 (UNAUDITED)

recommended by the Federal Reserve Board has replaced the U.S. dollar LIBOR benchmark effective as of June 30, 2023. The recommended benchmark replacement is based on Secured Overnight Financing Rate (SOFR), which is published by the Federal Reserve Bank of New York, and includes certain spread adjustments and benchmark replacement conforming changes. On December 16, 2022, the Federal Reserve Board adopted a final rule that implements the LIBOR Act. The final rule restates safe harbor protections contained in the LIBOR Act for selection or use of the replacement benchmark rate selected by the Federal Reserve Board. Consistent with the LIBOR Act, the final rule is also intended to ensure that LIBOR contracts adopting a benchmark rate selected by the Federal Reserve Board will not be interrupted or terminated following LIBOR's replacement. The transition away from LIBOR may lead to increased volatility and illiquidity in markets that are tied to LIBOR, reduced values of, inaccurate valuations of, and miscalculations of payment amounts for LIBOR-related investments or investments in issuers that utilize LIBOR, increased difficulty in borrowing or refinancing and reduced effectiveness of hedging strategies, adversely affecting the Fund's performance or NAV. In addition, any alternative reference rate may be a less effective substitute resulting in prolonged adverse market conditions for the Fund. Since the usefulness of LIBOR as a benchmark could deteriorate during the transition period, these effects could occur prior to the cessation of LIBOR publications.

### **Note 14. Subsequent Events**

On January 31, 2024, the Wise Fund paid shareholders of record at January 30, 2024, a net investment income distribution of \$703,053, equivalent to \$0.029275 per share.

Management has evaluated the impact of all subsequent events through the date the financial statements were available to be issued and has determined that there were no additional subsequent events requiring disclosure in the financial statements for the Funds.

# AZZAD FUNDS

## EXPENSE ILLUSTRATION DECEMBER 31, 2023 (UNAUDITED)

### Expense Example

As a shareholder of the Funds, you incur two types of costs: (1) transaction costs, including reinvested dividends, or other distributions, redemption fees and exchange fees; and (2) ongoing costs, including management fees; distribution (and/or services) (12b-1) fees; and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, July 1, 2023 through December 31, 2023.

### Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During the Period" to estimate the expenses you paid on your account during this period.

### Hypothetical Example for Comparison Purposes

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Funds' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Funds' actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in these Funds and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as redemption fees, or exchange fees. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

### Ethical Fund

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period* July 1, 2023 to December 31, 2023
	<u>July 1, 2023</u>	<u>December 31, 2023</u>	<u>December 31, 2023</u>
Actual	\$1,000.00	\$1,030.51	\$5.07
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,020.21	\$5.04

\* Expenses are equal to the Fund's annualized expense ratio of 0.99%, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

### Wise Fund

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period* July 1, 2023 to December 31, 2023
	<u>July 1, 2023</u>	<u>December 31, 2023</u>	<u>December 31, 2023</u>
Actual	\$1,000.00	\$1,021.76	\$4.54
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,020.72	\$4.53

\* Expenses are equal to the Fund's annualized expense ratio of 0.89%, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).



# AZZAD FUNDS

## TRUSTEES AND OFFICERS DECEMBER 31, 2023 (UNAUDITED)

The following table provides information regarding each Trustee who is not an “interested person” of the Trust, as defined in the Investment Company Act of 1940, as amended.

Name, Address and Age	Position & Term with the Trust	Number of Portfolios Overseen	Principal Occupations During Past 5 Years and Current Directorships	Other Directorships Held During Past 5 Years
Syed K. Raheemullah 25 W. 181 Salem Naperville, IL 60540 Age: 75	Trustee, Indefinite, Since 2000	2	Member of the technical staff of Lucent Technologies (manufacturer of telephone equipment) (1986 to present).	None
Umbereen R. Ahmed 8220 Crestwood Heights Drive, 1010 McLean, VA 22102 Age: 49	Trustee, Indefinite, Since 2020	2	Member of the executive sales team at Salesforce (2020 to present). Prior to joining Salesforce, Ms. Ahmed held various sales and executive positions with Microsoft.	None
Damani Ingram, Esq. 8609 Waterside Court, Laurel, MD 20723 Age: 52	Trustee, Indefinite, Since 2020	2	Partner and Managing Attorney of The Ingram Firm, LLC (since 2001 to present), Columbia, MD.	None

The following table provides information regarding each Trustee who is an “interested person” of the Trust, as defined in the Investment Company Act of 1940, and each officer of the Trust.

Name, Address, and Age	Position & Term with the Trust	Number of Portfolios Overseen	Principal Occupations During Past 5 Years and Current Directorships	Other Directorships Held During Past 5 Years
Bashar Qasem <sup>1</sup> 3141 Fairview Park Drive Suite 355 Falls Church, VA 22042 Age: 59	Chairman, President, Treasurer and Trustee, Indefinite, Since 2001	2	President of Azzad Asset Management, Inc. (since its inception in 2000); Operating Manager of Azzad Asset Management Inc. (investment adviser) (1997 to 1999).	None
Jamal Elbarmil 3141 Fairview Park Drive Suite 355 Falls Church, VA 22041 Age: 62	Secretary and Controller Since 2001	2	Vice President and Portfolio Manager of Azzad Asset Management, Inc. (since 2001 and 2008, respectively).	N/A
Manal Fouz* 3141 Fairview Park Drive Suite 355 Falls Church, VA 22041 Age: 49	Chief Compliance Officer Since 2007	2	Operations Manager and Compliance Officer for Azzad Asset Management, Inc. (since 2002 and 2007, respectively).	N/A

\*Manal Fouz is the wife of Bashar Qasem.

<sup>1</sup> Bashar Qasem is considered “Interested” Trustee as defined in the Investment Company Act of 1940, as amended, because he is affiliated with the Adviser.

# AZZAD FUNDS

## ADDITIONAL INFORMATION DECEMBER 31, 2023 (UNAUDITED)

### PROXY VOTING POLICY

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities and information regarding how the Funds voted those proxies during the most recent twelve month period ended June 30, are available without charge upon request by calling the Funds at 1-888-350-3369 and from Fund documents filed with the Securities and Exchange Commission ("SEC") on the SEC's website at [www.sec.gov](http://www.sec.gov).

### PORTFOLIO HOLDINGS

The Funds file their complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-PORT. The Funds' Form N-PORT is available on the SEC's web site at <http://www.sec.gov>. The Funds' Form N-PORT may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-732-0330. The information on Form N-PORT is available without charge, upon requests, by calling (888) 350-3369.

### STATEMENT OF ADDITIONAL INFORMATION

The Funds' Statement of Additional Information ("SAI") includes additional information about the Trustees and is available, without charge, upon request. You may call toll-free (888) 350-3369 to request a copy of the SAI or to make shareholder inquiries.

### SHAREHOLDER PROXY

The Trust held a Special Meeting (the "Special Meeting") of its shareholders on August 15, 2023 for the purposes of: (i) approving a new investment advisory agreement between the Adviser and the Trust, with respect to the Ethical Fund; and (ii) approving a new investment advisory agreement between the Adviser and the Trust, with respect to the Wise Fund.

At the close of business on May 31, 2023, the record date for the Special Meeting, there were 8,301,051 outstanding shares of the Ethical Fund and 21,764,135 outstanding shares of the Wise Fund. Shares represented in person and by proxy at the Special Meeting equaled 53.15% of the outstanding shares of the Ethical Fund and 50.00% of the Wise Fund. Therefore, a quorum was present for both Funds at the Special Meeting.

With respect to approval of the new investment advisory agreement between the Adviser and the Trust, with respect to the Ethical Fund, the following votes were cast:

<b>Shares Outstanding</b>	8,301,051
<b>Shares Present in Person or by Proxy</b>	4,411,690
<b>Approve</b>	99.99%
<b>Against</b>	0.00%
<b>Abstain</b>	0.00%

With respect to approval of the new investment advisory agreement between the Adviser and the Trust, with respect to the Wise Fund, the following votes were cast:

<b>Shares Outstanding</b>	21,764,135
<b>Shares Present in Person or by Proxy</b>	10,882,069
<b>Approve</b>	100.00%
<b>Against</b>	0.00%
<b>Abstain</b>	0.00%

**BOARD OF TRUSTEES**

Syed K. Raheemullah  
Bashar Qasem  
Umbereen R. Ahmed  
Damani Ingram, Esq.

**INVESTMENT ADVISER**

Azzad Asset Management, Inc.

**SUB-ADVISERS**

Delaware Investments Fund Advisers  
Federated Investment Management Company  
Federated Hermes (UK) LLP

**DIVIDEND PAYING AGENT,  
SHAREHOLDERS' SERVICING AGENT,  
TRANSFER AGENT**

Mutual Shareholder Services, LLC

**CUSTODIAN**

Huntington National Bank, NA

**INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Sanville & Company

**LEGAL COUNSEL**

Thompson Hine LLP

This report is provided for the general information of the shareholders of the Azzad Funds. This report is not intended for distribution to prospective investors in the Funds, unless preceded or accompanied by an effective prospectus.