



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, 2017 (UNAUDITED)

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AZZAD FUNDS

SHAREHOLDER LETTER DECEMBER 31, 2017 (UNAUDITED)

Dear Azzad Funds Shareholder,

Enclosed is your copy of the Azzad Funds semi-annual report, in which you will find a review of your investments from the six-month period beginning July 1, 2017, and ending December 31, 2017.

It was a big year for the stock market, with major indexes hitting new highs throughout the year. Markets ended the year on an even more upbeat note once it became clear that the Tax Cuts and Jobs Act would become law. Prior to that, the bull market was driven by several factors, most notably low inflation, low interest rates, synchronized global growth, and strong corporate earnings.

The second half of 2017 was also a banner time of growth for the global sukuk market in terms of total assets as well as total returns. Underpinned by larger sovereign issuers such as Pakistan and Bahrain, issuances for the period well outpaced the second half of 2016.

Looking ahead, the U.S. and global economic expansion remains healthy. Barring some exogenous shock from a geopolitical event or other unforeseen crisis, the odds of a recession in 2018 appear low. However, as global economies strengthen, the risk heightens that strong inflation will force a more rapid tightening of financial conditions by monetary authorities. Tax reform will boost corporate earnings, particularly for companies with primarily U.S.-based operations and customers, which may serve as a tailwind for mid-sized companies versus large multinationals.

If you would like to discuss your financial goals and how investing can help you meet them, please contact an Azzad investment advisor at **888.86.AZZAD**. Thank you for your continued trust and investment.

Sincerely,



Jamal Elbarmil
Vice President

AZZAD FUNDS

SHAREHOLDER LETTER (CONTINUED)
DECEMBER 31, 2017 (UNAUDITED)

Azzad Ethical Fund (ADJEX)

The Azzad Ethical Fund gained 10.25% for the six months ending December 31, 2017, but trailed the 12.45% rise in its benchmark, the Russell Midcap® Growth Index. According to sub-advisor Ziegler Capital Management, the Fund's best results were in the technology hardware space, along with materials and consumer durables. Underperformance was concentrated in three industries; health care equipment and services space was the Fund's largest detractor, followed by software and services, and retailing.

The Fund's investment universe, when adjusted for its ethical screens, lagged the unrestricted benchmark, which served as a headwind to the Fund's relative performance. Part of this can be attributed to the cheap cost of debt incentivizing some quality companies to take on levels of debt that exceed Azzad's thresholds, making them ineligible for investment.

Additionally, Ziegler finds that investors generally bid up stocks with the rosier future growth projections over stocks with proven historical track records.

Top Contributors to Total Return (06/30/2017 to 12/31/2017)

Holding	Average Portfolio Weight	Stock Return	Contribution to Return
Lam Research Corporation	2.13	30.85	0.61
Carter's, Inc.	1.45	33.11	0.46
VeriSign, Inc.	2.06	23.11	0.45
Rockwell Automation	1.94	22.33	0.41
IPG Photonics Corporation	1.05	47.57	0.40

Top Detractors to Total Return (06/30/2017 to 12/31/2017)

Holding	Average Portfolio Weight	Stock Return	Contribution to Return
Dick's Sporting Goods, Inc.	0.24	-26.97	-0.16
Intercept Pharmaceuticals	0.23	-51.75	-0.18
Ulta Beauty Inc.	1.25	-22.16	-0.36
Equifax Inc.	1.27	-13.65	-0.38
Henry Schein Inc.	1.64	-23.64	-0.47

The Fund's top performers reflect its overweight in information technology. Lam Research was the biggest positive contributor to return, as semiconductor manufacturers continued to order more of their products to keep up with demand. IPG Photonics benefited from greater international demand for its fiber lasers in several industries. VeriSign continued to move higher, aided by its dominant position in the internet domain registry space. Rockwell Automation benefitted from takeover rumors but also from solid demand for its productivity-enhancing designs. Finally, Carter's, a maker of children's apparel, has managed the switch online and to larger retail channels better than its peers.

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SHAREHOLDER LETTER (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

The stocks that hurt Fund performance came from multiple industries. The Fund had owned shares of Equifax on the day that its online security breach was exposed; that position has since been reduced. Dental products distributor Henry Schein was hurt by fears of online competitors. As a retailer, Ulta Beauty is dealing with fears about online competitors, but also has to compete with traditional department stores trying to use their own beauty counters to drive in-store traffic. Dick's Sporting Goods had a tough six months, as competitor bankruptcies and online entrants hurt sales. Intercept Pharmaceuticals lost half of its value over safety concerns surrounding its drug for liver diseases.

Ziegler adjusted the Fund's positioning to emphasize areas where it sees opportunity in the marketplace. Fund overweights in commercial and professional services as well as transportation stocks were reduced, as Ziegler believes certain holdings have reached fair value. The Fund added to the retailing space as price momentum has picked up for the group, and increased holdings in the food and beverage sector, reflecting a better pricing environment.

Azzad Wise Capital Fund (WISEX)

The Fund gained 1.24% for the six months ending December 31, 2017, outperforming its benchmark, the BofAML US Corp. & Govt. 1-3 Yr. Index, which returned 0.16%.

According to WISEX sub-advisor Federated Investment Management Company, the second half of 2017 saw growth in the U.S. dollar global sukuk market in terms of total assets as well as a positive total return. Underpinned by larger sovereign issuers such as Pakistan and Bahrain, this growth outpaced the second half of 2016.

Despite increased geopolitical risk considerations in the region, demand for sovereign sukuk remained robust. This was driven in large part by Islamic retail banks using risk-weighted sovereign sukuk to satisfy regulatory liquidity requirements. The period also saw a reduction in price differential between similar sukuk and conventional paper. As conventional investors' familiarity with the asset class increased, the risk and liquidity premiums have narrowed.

The positive performance for the entire six months notwithstanding, December saw overall flatter to negative sukuk total returns resulting from a rising yield curve on increased inflation and growth outlook. However, the less duration-sensitive, shorter-dated sukuk, in which the Fund is primarily invested, continued to outperform the broader market.

Drilling down into the Fund itself, the top performing sukuk for the six-month period were Indonesia 2027; Oman 2024; Dubai Islamic Bank Perpetual; Abu Dhabi Islamic Bank Perpetual; and Indonesia 2024. The top detractors for the period were EMAAR Properties 2019; Pakistan 2022, Mazoon 2027, Axiata Group 2024; and SECO 2022

Looking ahead to the first quarter of 2018, Federated sees a gradual monetary policy normalization resulting in higher yields and a steeper curve. However, they feel

AZZAD FUNDS

SHAREHOLDER LETTER (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

geopolitical and event risk is not being priced in by investors and therefore remains closer to neutral. Federated expects to see primary global sukuk issuance somewhat below last year's levels, which will provide a positive technical backdrop for existing issuance. They also expect to continue growing the Fund's allocation to Islamic trade finance in the first quarter while slightly reducing bank deposit positions.

Finally, Federated continues to monitor the geopolitical situation in Saudi Arabia and Qatar, although they reportedly remain comfortable with the current positions. They are less comfortable with the current economic climate in Turkey and have reduced positions in the Fund's sukuk and bank deposit allocations accordingly.

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, 2017. 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 www.azzadfunds.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, 2017 (UNAUDITED)

Average Annual Total Return For the Periods Ended December 31, 2017		
	<u>Azzad Ethical Fund</u>	<u>Russell MidCap Growth Index</u>
Six Months	10.25%	12.45%
1 Year	23.22%	25.27%
3 Year	5.94%	10.30%
5 Year	11.53%	15.31%
10 Year	7.36%	8.55%
Since Inception	5.33%	5.35%

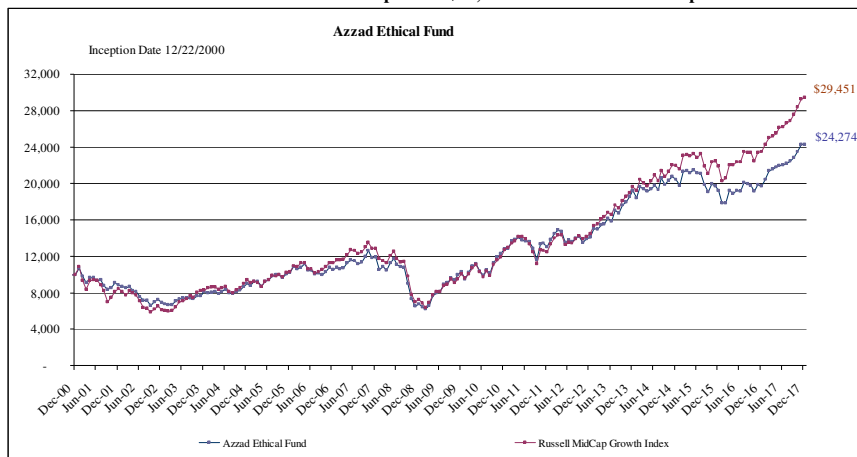
The performance quoted represents past performance, which does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect a deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Current performance of the Fund may be lower or higher than the performance quoted. The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The total annual operating expenses, before any fees waived, are 1.17% for the Ethical Fund per the November 1, 2017 prospectus. Performance data current to the most recent month end may be obtained by calling 1-888-350-3369.

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

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.

The returns shown do not reflect taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares.

Cumulative Performance Comparison \$10,000 Investment Since Inception



This chart assumes an initial investment of \$10,000 made on 12/22/2000 (commencement of operations). 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, 2017 (UNAUDITED)

Average Annual Total Return For the Periods Ended December 31, 2017		
	<u>Azzad Wise Capital Fund</u>	<u>BofAML US Corp&Govt 1-3 Yr Index</u>
Six Months	1.24%	0.16%
1 Year	2.68%	0.86%
3 Year	1.31%	0.93%
5 Year	1.73%	0.86%
Since Inception	1.90%	1.94%

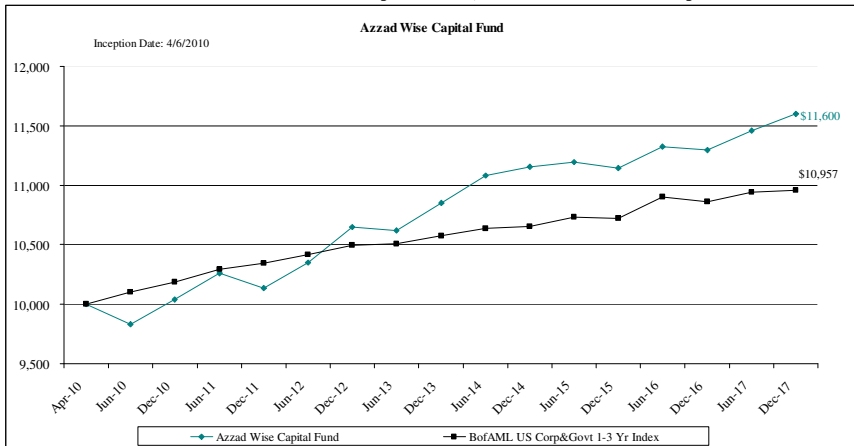
The performance quoted represents past performance, which does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect a deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Current performance of the Fund may be lower or higher than the performance quoted. The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The total annual operating expenses, before any fees waived, are 1.42% for the Wise Fund per the November 1, 2017 prospectus. Performance data current to the most recent month end may be obtained by calling 1-888-350-3369.

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

The BofAML US Corp&Gov't 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.

The returns shown do not reflect taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares.

Cumulative Performance Comparison \$10,000 Investment Since Inception



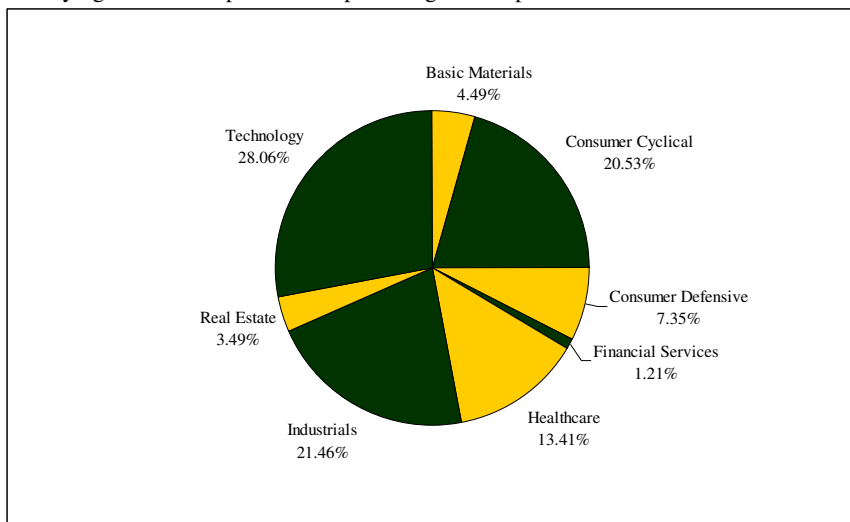
This chart assumes an initial investment of \$10,000 made on 4/6/2010 (commencement of operations). Total return is based on the net change in net asset value ("NAV") and assuming reinvestment of all dividends and other distributions. Performance figures represent past performance which is not predictive 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

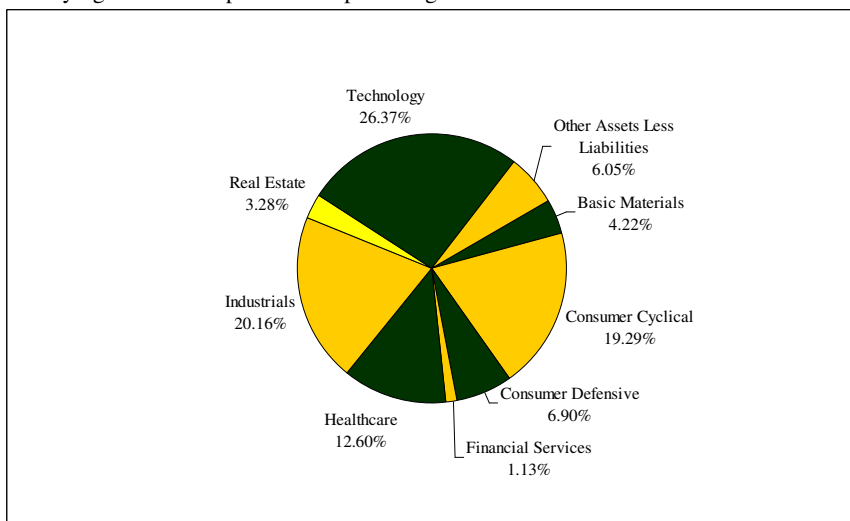
PORTFOLIO ANALYSIS

DECEMBER 31, 2017 (UNAUDITED)

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



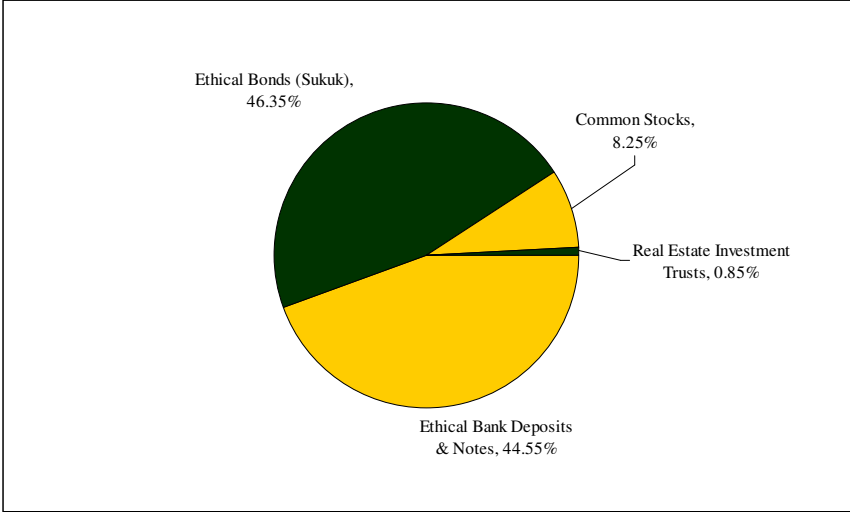
Sectors are based on Morningstar® classifications.
Portfolio allocations are subject to change.

AZZAD WISE CAPITAL FUND

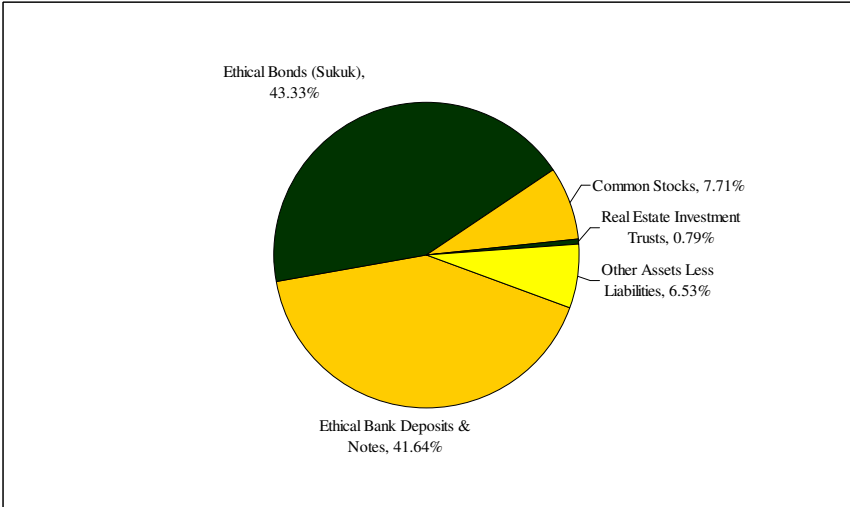
PORTFOLIO ANALYSIS

DECEMBER 31, 2017 (UNAUDITED)

The following chart gives a visual breakdown of the 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 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, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
COMMON STOCKS - 91.16%	
Air Transportation, Scheduled - 0.75%	
5,651 Alaska Air Group, Inc.	\$ 415,405
1,163 Copa Holdings S.A. (Panama)	155,912
	571,317
Aircraft Engines & Engine Parts - 0.06%	
543 Heico Corp. Class A *	42,924
Apparel & Other Finished Products of Fabrics & Similar Material - 1.78%	
11,020 Carter's, Inc.	1,294,740
630 Lululemon Athletica, Inc. (Canada) *	49,512
	1,344,252
Arrangement of Transportation of Freight & Cargo - 0.24%	
2,070 C. H. Robinson Worldwide, Inc.	184,416
Auto Controls for Regulating Residential & Commercial Environment - 0.92%	
7,809 Ingersoll-Rand PLC (Ireland)	696,485
Beverages - 1.34%	
10,463 Dr Pepper Snapple Group, Inc.	1,015,539
Biological Products (No Diagnostic Substances) - 0.13%	
716 Neurocrine Biosciences, Inc. *	55,554
854 Seattle Genetics, Inc. *	45,689
	101,243
Carpets & Rugs - 1.14%	
3,140 Mohawk Industries, Inc. *	866,326
Cement, Hydraulic - 0.25%	
1,639 Eagle Materials, Inc.	185,699
Chemical & Allied Products - 0.23%	
1,815 FMC Corp.	171,808
Computer Communications Equipment - 0.67%	
1,861 Arista Networks, Inc. *	438,414
521 F5 Networks, Inc. *	68,366
	506,780
Computer Peripheral Equipment - 0.51%	
2,670 Palo Alto Networks, Inc. *	386,990

* Non-income producing securities during the period.

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

AZZAD ETHICAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
Converted Paper & Paperboard Products (No Containers/Boxes) - 0.10%	
689 Avery Dennison Corp.	\$ 79,139
Cutlery, Handtools & General Hardware - 0.25%	
1,095 Snap-On, Inc.	190,858
Electrical Work - 1.60%	
31,002 Quanta Services, Inc. *	1,212,488
Electromedical & Electrotherapeutic Apparatus - 0.08%	
544 Varian Medical Systems, Inc. *	60,466
Electronic Components & Accessories - 0.07%	
393 Hubbell, Inc.	53,189
Electronic Connectors - 0.44%	
3,757 Amphenol Corp. Class A	329,865
Engines & Turbines - 1.63%	
1,142 Brunswick Corp.	63,061
16,612 BWX Technologies, Inc.	1,004,860
943 Cummins, Inc.	166,572
	<hr/> 1,234,493
Fabricated Rubber Products - 0.05%	
400 West Pharmaceutical Services, Inc.	39,468
Food & Kindred Products - 0.77%	
4,968 Blue Buffalo Pet Products, Inc. *	162,901
8,704 Campbell Soup Co.	418,749
	<hr/> 581,650
Footwear (No Rubber) - 0.39%	
7,800 Skechers USA, Inc. Class A *	295,152
Gen Building Contractors - Residential Buildings - 0.55%	
6,106 Fortune Brands Home & Security, Inc.	417,895
General Industrial Machinery & Equipment - 0.20%	
1,474 Zebra Technologies Corp. Class A *	153,001
Hotels & Motels - 0.13%	
1,297 Choice Hotels International, Inc.	100,647

* Non-income producing securities during the period.
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AZZAD ETHICAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
Industrial & Commercial Fans & Blowers & Air Purifying Equipment - 0.34%	
5,318 Donaldson Co.	\$ 260,316
Industrial Instruments for Measurement, Display & Control - 0.57%	
6,452 Cognex Corp.	394,604
146 Roper Industries, Inc.	37,814
	432,418
Industrial Organic Chemicals - 0.79%	
1,148 International Flavors & Fragrances, Inc.	175,196
507 NewMarket Corp.	201,477
2,105 Westlake Chemical Corp.	224,246
	600,919
Laboratory Analytical Instruments - 2.98%	
618 Agilent Technologies, Inc.	41,387
570 Coherent, Inc. *	160,865
9,108 Bruker Corp.	312,587
1,677 Illumina, Inc. *	366,408
68 Mettler Toledo International, Inc. *	42,127
562 Perkinelmer, Inc.	41,093
6,680 Waters Corp. *	1,290,509
	2,254,976
Leather & Leather Products - 0.09%	
1,045 Michael Kors Holdings Ltd. (United Kingdom) *	65,783
Measuring & Controlling Devices - 2.00%	
7,517 Rockwell Automation, Inc.	1,475,963
1,020 Trimble, Inc. *	41,453
	1,517,416
Men's & Boys' Furnishings, Work Clothing, & Allied Garments - 0.26%	
1,241 Cintas Corp.	193,385
Metal Mining - 0.08%	
1,297 Southern Copper Corp.	61,543
Metalworking Machinery & Equipment - 0.60%	
4,993 Lincoln Electric Holdings, Inc.	457,259
Millwood, Veneer, Plywood & Structural Wood Members - 0.51%	
8,818 Masco Corp.	387,463
Mineral Royalty Traders - 0.10%	
938 Royal Gold, Inc.	77,029

* Non-income producing securities during the period.

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AZZAD ETHICAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
Mining, Quarrying of Nonmetallic Minerals (No Fuels) - 0.50 %	
1,700 Martin Marietta Materials, Inc.	\$ 375,768
Miscellaneous Food Preparations & Kindred Products - 0.08%	
623 McCormick & Company, Inc.	63,490
Miscellaneous Transportation Equipment - 0.21%	
1,271 Polaris Industries, Inc.	157,591
Motor Homes - 0.94%	
4,726 Thor Industries, Inc.	712,303
Motor Vehicle Parts & Accessories - 2.12%	
3,906 Aptiv Plc. (United Kingdom)	331,346
809 BorgWarner, Inc.	41,332
1,302 Delphi Automotive PLC. (United Kingdom) *	68,316
1,874 Gentex Corp.	39,260
6,349 Lear Corp.	<u>1,121,614</u>
	1,601,868
Motor Vehicles & Passenger Car Bodies - 1.20%	
6,318 WABCO Holdings, Inc. (Belgium) *	906,633
Motors & Generators - 0.09%	
893 Ametek, Inc.	64,716
Ophthalmic Goods - 1.26%	
4,367 The Cooper Companies, Inc.	951,482
Optical Instruments & Lenses - 1.63%	
11,775 KLA Tencor Corp.	1,237,199
Orthopedic, Prosthetic & Surgical Appliances & Supplies - 1.54%	
3,136 Align Technology, Inc. *	696,788
4,151 Edwards Lifesciences Corp. *	<u>467,859</u>
	1,164,647
Paints, Varnishes, Lacquers, Enamels & Allied Products - 0.44%	
6,289 RPM International, Inc.	329,669
Paperboard Containers & Boxes - 1.89%	
11,862 Packaging Corp. of America	1,429,964

* Non-income producing securities during the period.

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

AZZAD ETHICAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
Pharmaceutical Preparations - 2.83%	
756 Alkermes PLC. (Ireland)	\$ 41,376
5,850 BioMarin Pharmaceutical, Inc. *	521,644
1,822 Intercept Pharmaceuticals, Inc. *	106,441
7,387 Ionis Pharmaceuticals, Inc. *	371,566
15,334 Opko Health, Inc. *	75,137
14,195 Zoetis, Inc. Class A	1,022,608
	2,138,772
Plastic Material, Synth Resin/Rubber, Cellulos (No Glass) - 0.16%	
1,163 Celanese Corp. Series A	124,534
Plastic Material, Synth Resins & Nonvulcan Elastomers - 0.27%	
3,249 Hexcel Corp.	200,951
Plastic Products - 0.50%	
3,613 AptarGroup, Inc.	311,730
1,010 Tupperware Brands Corp.	63,327
	375,057
Poultry Slaughtering & Processing - 0.1.10%	
26,770 Pilgrim's Pride Corp. *	831,476
Pumps & Pumping Equipment - 0.29%	
3,272 Xylem, Inc.	223,150
Radio Broadcasting Stations - 1.30%	
25,022 Pandora Media, Inc. *	120,606
160,767 Sirius XM Holdings, Inc.	861,711
	982,317
Retail-Auto & Home Supply Stores - 1.89%	
996 AutoZone, Inc. *	708,525
3,005 O'Reilly Automotive, Inc. *	722,823
	1,431,348
Retail-Auto Dealers & Gasoline Stations - 0.29%	
5,034 Copart, Inc. *	217,418
Retail-Building Materials, Hardware, Garden Supply - 0.78%	
9,777 Fastenal Co.	534,704
729 Tractor Supply Co.	54,493
	589,197
Retail-Department Stores - 0.08%	
496 Burlington Stores, Inc. *	61,023

* Non-income producing securities during the period.

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

AZZAD ETHICAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
Retail-Family Clothing Stores - 1.24%	
12,581 Gap, Inc.	\$ 428,509
6,335 Ross Stores, Inc.	508,384
	936,893
Retail-Home Furniture, Furnishings & Equipment Stores - 0.61%	
8,901 Williams-Sonoma, Inc.	460,182
Retail-Miscellaneous Shopping Goods Stores - 0.09%	
2,275 Dicks Sporting Goods, Inc.	65,383
Retail-Retail Stores - 1.23%	
4,155 Ulta Beauty, Inc. *	929,307
Retail-Shoe Stores - 0.69%	
11,102 Footlocker, Inc.	520,462
Retail-Variety Stores - 1.62%	
11,068 Dollar General Corp.	1,029,435
1,861 Dollar Tree, Inc. *	199,704
	1,229,139
Semiconductors & Related Devices - 5.26%	
4,210 IPG Photonics Corp. *	901,487
15,341 Microchip Technology, Inc.	1,348,167
3,001 Microsemi Corp. *	155,002
2,619 Qorvo, Inc. *	174,425
9,566 Skyworks Solution, Inc.	908,292
7,355 Xilinx, Inc.	495,874
	3,983,247
Services-Advertising Agencies - 0.25%	
5,358 Interpublic Group of Companies, Inc.	108,017
1,115 Omnicom Group, Inc.	81,205
	189,222
Services-Business Services - 1.76%	
1,519 Athenahealth, Inc. *	202,088
6,121 Broadridge Financial Solutions, Inc.	554,440
2,961 CDK Global, Inc.	211,060
433 Costar Group, Inc. *	128,579
5,788 Zillow Group, Inc. *	236,845
	1,333,012

* Non-income producing securities during the period.

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AZZAD ETHICAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
Services-Commercial Physical & Biological Research - 1.09%	
6,438 Charles River Laboratories International, Inc. *	\$ 704,639
1,279 Incyte Corp. *	121,134
	825,773
Services-Computer Integrated Systems - 1.34%	
4,893 Cerner Corp. *	329,739
8,196 GoDaddy, Inc. Class A *	412,095
2,344 Jack Henry & Associates, Inc.	274,154
	1,015,988
Services-Computer Programming Services - 1.01%	
3,308 DST Systems, Inc.	205,328
5,495 Workday, Inc. Class A *	559,061
	764,389
Services-Computer Programming, Data Processing, Etc. - 2.76%	
2,209 Factset Research Systems, Inc.	425,807
23,592 IHS Markit Ltd. (United Kingdom) *	1,065,179
4,979 Red Hat, Inc. *	597,978
	2,088,964
Services-Computer Programming Services - 1.98%	
13,073 VeriSign, Inc. *	1,496,074
Services-Consumer Credit Reporting, Collection Agencies - 2.68%	
4,153 Equifax, Inc.	489,722
2,931 Moody's Corp.	432,645
20,142 TransUnion *	1,107,004
	2,029,371
Services-Help Supply Services - 1.31%	
17,892 Robert Half International, Inc.	993,722
Services-Management Consulting Services - 1.32%	
26,211 Booz Allen Hamilton Holding Corp.	999,425
Services-Management Services - 1.74%	
10,720 Gartner, Inc. Class A *	1,320,168
Services-Personal Services - 0.22%	
6,456 H&R Block, Inc.	169,276

* Non-income producing securities during the period.
The accompanying notes are an integral part of these financial statements.

AZZAD ETHICAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
Services-Prepackaged Software - 8.15%	
2,688 Atlassian Corp. PLC (United Kingdom) *	\$ 122,358
2,824 Autodesk, Inc. *	296,040
4,845 Cadence Design Systems, Inc. *	202,618
15,660 Citrix Systems, Inc. *	1,378,080
1,927 PTC, Inc. *	117,104
5,932 ServiceNow, Inc. *	773,473
5,174 Splunk, Inc. *	428,614
11,564 Square, Inc. Class A *	400,924
4,059 SS&C Technologies Holdings, Inc.	164,308
2,081 Synopsys, Inc. *	177,384
11,275 Tableau Software, Inc. *	780,230
1,526 Take-Two Interactive Software, Inc. *	167,524
4,987 Tyler Technologies, Inc. *	882,948
608 Ultimate Software Group, Inc. *	132,684
2,585 Veeva Systems, Inc. Class A *	142,899
	6,167,188
Services to Dwellings & Other Buildings - 0.05%	
879 Rollins, Inc.	40,900
Special Industry Machinery - 1.88%	
7,738 Lam Research Corp.	1,424,334
Specialty Cleaning, Polishing & Sanitation Preparations - 1.03%	
5,250 Clorox Co.	780,885
Steel Works, Blast Furnaces Rolling Mills (Coke Ovens) - 1.16%	
20,373 Steel Dynamics, Inc.	878,687
Sugar & Confectionery Products - 0.47%	
3,162 Hershey Co.	358,919
Surgical & Medical Instruments & Apparatus - 0.50%	
5,890 Dexcom, Inc. *	338,027
454 Resmed, Inc.	38,449
	376,476
Transportation Services - 0.35%	
2,224 Expedia, Inc.	266,368
Trucking (No Local) - 1.72%	
11,309 Hunt J.B. Transport Services, Inc.	1,300,309

* Non-income producing securities during the period.
The accompanying notes are an integral part of these financial statements.

AZZAD ETHICAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
Wholesale-Drugs, Proprietaries & Druggists' Sundries - 0.40%	
4,491 Nu Skin Enterprises, Inc. Class A	\$ 306,421
Wholesale-Durable Goods - 0.76%	
2,443 W.W. Grainger, Inc.	577,159
Wholesale-Industrial Machinery & Equipment - 0.08%	
623 MSC Industrial Direct Co., Inc.	60,219
Wholesale-Medical, Dental & Hospital Equipment & Supplies - 1.35%	
14,622 Henry Schein, Inc. *	1,021,785
Wholesale-Motor Vehicle Supplies & New Parts - 0.06%	
501 Genuine Parts Co.	47,600
X-Ray Apparatus & Tubes & Related Irradiation Apparatus - 1.01%	
17,909 Hologic, Inc. *	<u>765,610</u>
TOTAL FOR COMMON STOCKS (Cost \$58,094,613) - 91.16%	<u>69,024,027</u>
REAL ESTATE INVESTMENT TRUSTS - 2.79%	
10,067 Equity Lifestyle Properties, Inc.	896,164
424 Extra Space Storage, Inc.	37,079
8,901 Federal Realty Investment Trust	<u>1,182,142</u>
TOTAL FOR REAL ESTATE INVESTMENT TRUSTS (Cost \$2,091,973) - 2.79%	<u>2,115,385</u>
TOTAL FOR INVESTMENTS (Cost \$60,186,586) ** - 93.95%	<u>71,139,412</u>
OTHER ASSETS LESS LIABILITIES, NET - 6.05%	<u>4,579,001</u>
NET ASSETS - 100.00%	<u><u>\$75,718,413</u></u>

* Non-income producing securities during the period.

** Refer to Note 8 for Tax Cost.

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

AZZAD WISE CAPITAL FUND

SCHEDULE OF INVESTMENTS DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
COMMON STOCKS - 7.71%	
Beverages - 0.44%	
4,889 The Coca-Cola Co.	\$ 224,307
2,062 PepsiCo, Inc.	247,275
	471,582
Construction, Mining & Materials Handling Machinery & Equipment - 0.37%	
3,881 Dover Corp.	391,942
Converted Paper & Paperboard Products - 0.20%	
1,782 Kimberly-Clark Corp.	215,016
Cutlery, Handtools & General Hardware - 0.35%	
2,214 Stanley Black & Decker, Inc.	375,694
Electromedical & Electrotherapeutic Apparatus - 0.24%	
3,192 Medtronic PLC (Ireland)	257,754
Electronic & Other Electrical Equipment - 0.28%	
4,277 Emerson Electric Co.	298,064
Fats & Oils - 0.22%	
5,868 Archer-Daniels Midland Co.	235,189
General Industrial Machinery & Equipment - 0.35%	
2,254 Illinois Tool Works, Inc.	376,080
Household Furniture - 0.24%	
5,301 Leggett & Platt, Inc.	253,017
Industrial Inorganic Chemicals - 0.28%	
1,820 Air Products & Chemicals, Inc.	298,626
Men's & Boy's Furnishings - 0.65%	
2,567 Cintas Corp.	400,016
3,851 VF Corp.	284,974
	684,990
Miscellaneous Food Preparations & Kindred Products - 0.23%	
2,378 McCormick & Company, Inc.	242,342
Paints, Varnishes, Lacquers, Enamels & Allied Products - 0.22%	
1,986 PPG Industries, Inc.	232,005

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

AZZAD WISE CAPITAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
Perfumes, Cosmetics & Other Toilet Preparations - 0.22%	
3,041 Colgate-Palmolive Co.	\$ 229,443
Pharmaceutical Preparations - 0.57%	
5,696 Abbott Laboratories	325,071
1,993 Johnson & Johnson	278,462
	603,533
Retail-Building Materials, Hardware, Garden Supply - 0.32%	
835 The Sherwin-Williams Co.	342,383
Retail-Drug Stores & Proprietary Store - 0.19%	
2,787 Walgreen Boots Alliance, Inc.	202,392
Retail-Lumber & Other Building Materials - 0.28%	
3,161 Lowe's Companies, Inc.	293,783
Services-Computer Processing & Data Preparation - 0.27%	
2,440 Automatic Data Processing, Inc.	285,944
Soap, Detergent, Cleaning Preparations, Perfumes, Cosmetics - 0.46%	
1,768 Ecolab, Inc.	237,230
2,682 The Procter Gamble Co.	246,422
	483,652
Specialty Cleaning, Polishing & Sanitation Preparations - 0.24%	
1,720 The Clorox Co.	255,833
Steel Works, Blast Furnaces Rolling Mills (Coke Ovens) - 0.24%	
3,935 Nucor Corp.	250,187
Surgical & Medical Instruments & Apparatus - 0.41%	
1,350 3M Co.	317,749
532 Becton, Dickinson & Co.	113,895
	431,644
Wholesale-Motor Vehicle Supplies & New Parts - 0.21%	
2,324 Genuine Parts Co.	220,803
Wholesale-Durable Goods - 0.23%	
1,047 W.W. Grainger, Inc.	247,354
	8,179,252
TOTAL FOR COMMON STOCKS (Cost \$5,500,256) - 7.71%	

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

AZZAD WISE CAPITAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>		<u>Value</u>
REAL ESTATE INVESTMENT TRUSTS - 0.79%		
1,540	Avalonbay Communities, Inc.	\$ 274,751
1,912	Federal Realty Investment Trust	253,933
1,496	Public Storage	312,664
TOTAL FOR REAL ESTATE INVESTMENT TRUSTS (Cost \$928,994) - 0.79%		841,348
SUKUKS - 43.33%		
Airlines - 1.52%		
1,600,000	Al Shindagha Sukuk, Ltd., Series REGS, 3.776%, 11/26/2019 (Cayman Islands)	1,613,616
Banks - 7.00%		
2,300,000	ALHILA, Series REGS, 3.267%, 10/08/2018 (United Arab Emirates)	2,318,589
1,000,000	DIB Sukuk Ltd., 6.25% 03/29/2049 (United Arab Emirates)	1,024,400
3,300,000	EIB Sukuk, Ltd., Series REGS, 4.147%, 01/11/2018 (United Arab Emirates)	3,302,887
270,000	EXIM Sukuk Malaysia Berhad, 2.874%, 02/19/2019 (Malaysia)	270,835
500,000	TF Varlik Kiralama AS, Series REGS, 3.95%, 05/02/2018 (Turkey)	501,242
		7,417,953
Basic Materials - 0.96%		
1,000,000	Equate Sukuk Spc Ltd., 3.944%, 02/21/2024 (Kuwait)	1,022,331
Communications Equipment - 1.15%		
1,200,000	Axiata Spv2 Bhd, Series REGS, 3.466%, 11/19/2020 (Malaysia)	1,215,758
Financial Services - 6.84%		
300,000	ADIB Capital Sukuk, Series REGS, 6.375%, 10/16/2018 (Cayman Islands) **	305,437
2,900,000	DIP Sukuk Ltd. Series REGS, 4.291%, 02/20/2019 (Cayman Islands)	2,936,552
4,000,000	Jany Sukuk Co. LTD, Series REGS, 2.844%, 09/23/2019 (Cayman Islands)	4,010,000
		7,251,989
Real Estate - 6.52%		
1,500,000	DIFC Investments LLC, Note, Series REGS, 4.325% 11/12/2024 (United Arab Emirates)	1,553,886
1,000,000	Emaar Sukuk, Ltd., Series REGS, 4.564%, 06/18/2024 (Cayman Islands)	1,039,087
1,000,000	Emaar Sukuk, Ltd., Series REGS, 6.40%, 07/18/2019 (Cayman Islands)	1,058,370
500,000	MAF Sukuk, Ltd., Unsecured Note, Series REGS, 4.50%, 11/03/2025 (Cayman Islands)	518,400
2,700,000	Sukuk Funding No. 3, Ltd., Series REGS, 4.348%, 12/03/2018 (Cayman Islands)	2,746,659
		6,916,402
Sovereigns - 12.04%		
500,000	CBB International, Series 144A, 5.624%, 2/12/2024 (Bahrain) (1)	511,271
500,000	Hazine Mustesarligi, Series REGS, 4.557%, 10/10/2018 (Turkey) **	505,474

** Variable rate security; the coupon rate shown represents the yield at December 31, 2017.

(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, 2017 these liquid restricted securities amount to \$6,257,797, which represented 5.89% of total net assets.

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

AZZAD WISE CAPITAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>		<u>Value</u>
Sovereigns - (Continued)		
1,000,000	Hazine Mustesarligi, Series 144A, 5.004%, 04/06/2023 (Turkey) ** (1)	\$ 1,018,156
1,000,000	Indonesia, Government of, Series 144A, 3.40%, 03/29/2022 (Indonesia) (1)	1,013,800
300,000	Indonesia, Government of, Series 144A, 4.15%, 03/29/2027 (Indonesia) (1)	309,780
400,000	KSA Sukuk, Ltd., Series 144A, 2.894%, 04/20/2022 (Saudi Arabia) (1)	397,154
1,000,000	KSA Sukuk, Ltd., Series 144A, 3.628%, 04/20/2027 (Saudi Arabia) (1)	1,009,048
1,000,000	Oman, Government, Series 144A, 4.397%, 06/01/2024 (Oman) (1)	998,588
1,800,000	Pakistan, Series REGS, 6.75% 12/03/2019 (Pakistan)	1,867,619
1,400,000	Perusahaan Pener Indois Sukuk, Series REGS, 3.30%, 11/21/2022 (Indonesia)	1,414,000
2,400,000	Perusahaan Pener Indois Sukuk, Series REGS, 4.00%, 11/21/2018 (Indonesia)	2,435,520
500,000	Perusahaan Pener Indois Sukuk, Series REGS, 4.35% 09/10/2024 (Indonesia)	527,450
750,000	Zar Sovereign Capital Fund, Series REGS, 3.903%, 06/24/2020 (South Africa)	761,426
		<hr/> 12,769,286
Supranationals - 0.28%		
300,000	IDB Trust Services, Ltd., Series REGS, 1.535%, 06/04/2018 (Jersey)	300,600
Transportation & Logistics - 0.97%		
1,000,000	DPWorld Crescent, Ltd, Sr. Unsecd. Note, Series REGS, 3.908, 5/31/2023 (Cayman Islands)	1,021,795
Utilities - 3.68%		
1,850,000	Dewa Sukuk 2013, Ltd., Series REGS, 3.00%, 03/05/2018 (Cayman Islands)	1,852,947
1,000,000	Mazoon Assets Co., Series 144A, 5.20%, 11/08/2027 (Oman) (1)	1,000,000
1,000,000	Saudi Electricity Global Sukuk, Series REGS, 4.211%, 04/03/2022 (Cayman Islands)	1,045,051
		<hr/> 3,897,998
Wireless Telecommunications Services - 2.37%		
2,500,000	Ooredoo Tamweel Ltd., Series REGS, 3.039%, 12/03/2018 (Qatar)	<hr/> 2,514,510
TOTAL FOR SUKUKS (Cost \$45,851,183) - 43.33%		<hr/> 45,942,238
TRADE FINANCE AGREEMENTS - 10.41%		
26,034	Government of Egypt DD1, 3.311%, 01/30/2019 (Egypt)	25,878
108,344	Government of Egypt DD2, 3.311%, 01/30/2019 (Egypt)	107,694
67,122	Government of Egypt DD3, 3.311%, 01/30/2019 (Egypt)	66,720
79,106	Government of Egypt DD4, 3.311%, 01/30/2019 (Egypt)	78,631
89,368	Government of Egypt DD5, 3.311%, 01/30/2019 (Egypt)	88,831
168,990	Government of Egypt DD6, 3.311%, 01/30/2019 (Egypt)	167,977
21,055	Government of Egypt DD7, 3.311%, 01/30/2019 (Egypt)	20,928
205,063	Government of Egypt DD8, 3.311%, 01/30/2019 (Egypt)	203,833

** Variable rate security; the coupon rate shown represents the yield at December 31, 2017.

(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, 2017 these liquid restricted securities amount to \$6,257,797, which represented 5.89% of total net assets.

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

AZZAD WISE CAPITAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>		<u>Value</u>
TRADE FINANCE AGREEMENTS - (Continued)		
96,210	Government of Egypt DD9, 3.311%, 01/30/2019 (Egypt)	\$ 95,633
270,201	Government of Egypt DD10, 3.311%, 01/30/2019 (Egypt)	268,580
208,203	Government of Egypt DD11, 3.311%, 01/30/2019 (Egypt)	206,954
160,304	Government of Egypt DD12, 3.311%, 01/30/2019 (Egypt)	159,342
30,097	ITFC Government of Egypt II DD1, 3.97%, 07/18/2018 (Egypt)	30,082
31,441	ITFC Government of Egypt II DD2, 3.90%, 07/20/2018 (Egypt)	31,426
4,976	ITFC Government of Egypt II DD3, 3.938%, 09/21/2018 (Egypt)	4,973
24,867	ITFC Government of Egypt II DD4, 3.944%, 09/28/2018 (Egypt)	24,854
9,016	ITFC Government of Egypt II DD5, 3.964%, 10/05/2018 (Egypt)	9,011
25,653	ITFC Government of Egypt II DD6, 3.972%, 10/12/2018 (Egypt)	25,641
100,017	ITFC Government of Egypt II DD7, 3.985%, 10/18/2018 (Egypt)	99,967
18,418	ITFC Government of Egypt II DD8, 3.988%, 10/19/2018 (Egypt)	18,408
17,907	ITFC Government of Egypt II DD9, 4.003%, 10/26/2018 (Egypt)	17,898
11,235	ITFC Government of Egypt II DD10, 4.0166%, 11/02/2018 (Egypt)	11,229
36,320	ITFC Government of Egypt II DD11, 4.033%, 11/09/2018 (Egypt)	36,302
29,863	ITFC Government of Egypt II DD12, 4.0556%, 11/16/2018 (Egypt)	29,848
7,753	ITFC Government of Egypt II DD13, 4.003%, 11/19/2018 (Egypt)	7,749
16,821	ITFC Government of Egypt II DD14, 4.0746%, 11/19/2018 (Egypt)	16,812
9,014	ITFC Government of Egypt II DD15, 4.0806%, 11/23/2018 (Egypt)	9,010
23,310	ITFC Government of Egypt II DD16, 4.08245%, 11/23/2018 (Egypt)	23,298
125,579	ITFC Government of Egypt II DD17, 4.084%, 11/26/2018 (Egypt)	125,516
5,498	ITFC Government of Egypt II DD18, 4.104%, 11/30/2018 (Egypt)	5,495
31,000	ITFC Government of Egypt II DD19, 4.611%, 12/07/2018 (Egypt)	30,984
42,202	ITFC Government of Egypt II DD20, 4.003%, 12/06/2018 (Egypt)	42,181
15,507	ITFC Government of Egypt II DD21, 4.003%, 12/10/2018 (Egypt)	15,499
16,046	ITFC Government of Egypt II DD22, 4.003%, 12/10/2018 (Egypt)	16,038
45,275	ITFC Government of Egypt II DD23, 4.003%, 12/14/2018 (Egypt)	45,252
29,615	ITFC Government of Egypt II DD24, 4.003%, 12/17/2018 (Egypt)	29,600
15,287	ITFC Government of Egypt II DD25, 4.003%, 12/21/2018 (Egypt)	15,280
16,906	ITFC Government of Egypt II DD26, 4.003%, 12/24/2018 (Egypt)	16,898
35,857	ITFC Government of Egypt II DD27, 4.003%, 12/24/2018 (Egypt)	35,839
22,981	ITFC Government of Egypt II DD28, 4.003%, 12/24/2018 (Egypt)	22,969
18,835	ITFC Government of Egypt II DD29, 4.003%, 12/28/2018 (Egypt)	18,826
457,143	ITFC Government of Gambia DD1, 3.873%, 12/17/2018 (Gambia)	457,371
114,286	ITFC Government of Gambia DD1, 3.873%, 12/24/2018 (Gambia)	114,343
98,142	ITFC Government of Pakistan DD1, 3.80934%, 07/30/2018 (Pakistan)	99,712
101,882	ITFC Government of Pakistan DD2, 3.80934%, 07/30/2018 (Pakistan)	103,513
102,832	ITFC Government of Pakistan DD3, 3.80934%, 08/11/2018 (Pakistan)	104,477
102,880	ITFC Government of Pakistan DD4, 3.751%, 08/31/2018 (Pakistan)	104,526
102,669	ITFC Government of Pakistan DD5, 3.80934%, 08/24/2018 (Pakistan)	104,311
108,467	ITFC Government of Pakistan DD6, 3.7373%, 08/27/2018 (Pakistan)	110,203

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

AZZAD WISE CAPITAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>		<u>Value</u>
TRADE FINANCE AGREEMENTS - (Continued)		
100,675	ITFC Government of Pakistan DD7, 3.7378%, 09/04/2018 (Pakistan)	\$ 102,286
108,315	ITFC Government of Pakistan DD8, 3.7231%, 09/10/2018 (Pakistan)	110,049
104,364	ITFC Government of Pakistan DD9, 3.7426%, 09/13/2018 (Pakistan)	106,034
108,172	ITFC Government of Pakistan DD10, 3.809%, 09/21/2018 (Pakistan)	109,903
115,272	ITFC Government of Pakistan DD11, 3.8064%, 09/27/2018 (Pakistan)	117,116
107,027	ITFC Government of Pakistan DD12, 3.817%, 10/01/2018 (Pakistan)	108,739
118,267	ITFC Government of Pakistan DD13, 3.828%, 10/15/2018 (Pakistan)	120,159
116,097	ITFC Government of Pakistan DD14, 3.845%, 10/18/2018 (Pakistan)	117,955
115,958	ITFC Government of Pakistan DD15, 3.861%, 10/22/2018 (Pakistan)	117,814
112,264	ITFC Government of Pakistan DD16, 3.879%, 11/01/2018 (Pakistan)	114,060
124,043	ITFC Government of Pakistan DD17, 3.897%, 11/08/2018 (Pakistan)	126,027
127,452	ITFC Government of Pakistan DD18, 3.922%, 11/19/2018 (Pakistan)	129,491
108,585	ITFC Government of Pakistan II DD1, 3.836%, 12/13/2018 (Pakistan)	108,639
111,694	ITFC Government of Pakistan II DD2, 3.873%, 12/17/1018 (Pakistan)	111,750
101,670	ITFC Government of Pakistan II DD3, 3.898%, 12/24/2018 (Pakistan)	101,721
245,170	ITFC Government of Tunisia DD1 (Refining), 2.418%, 05/29/2018 (Tunisia)	245,047
184,097	ITFC Government of Tunisia DD2 (Refining), 2.418%, 06/26/2018 (Tunisia)	184,005
170,696	ITFC Government of Tunisia DD3 (Refining), 2.418%, 06/27/2018 (Tunisia)	170,610
123,303	Office Cherifien des Phosphates DD1, 2.503%, 02/14/2018 (Morocco)	123,303
147,239	Office Cherifien des Phosphates DD2, 2.503%, 02/20/2018 (Morocco)	147,239
316,578	Office Cherifien des Phosphates DD3, 2.503%, 02/22/2018 (Morocco)	316,578
121,998	Office Cherifien des Phosphates DD4, 2.503%, 02/27/2018 (Morocco)	121,998
122,685	Office Cherifien des Phosphates DD5, 2.503%, 02/28/2018 (Morocco)	122,685
104,867	Office Cherifien des Phosphates DD6, 2.503%, 03/02/2018 (Morocco)	104,867
155,701	Office Cherifien des Phosphates DD7, 2.503%, 03/05/2018 (Morocco)	155,701
250,004	Office Cherifien des Phosphates DD8, 2.503%, 03/06/2018 (Morocco)	250,004
76,683	Office Cherifien des Phosphates DD9, 2.503%, 03/07/2018 (Morocco)	76,683
163,485	Office Cherifien des Phosphates DD10, 2.503%, 03/08/2018 (Morocco)	163,485
410,763	Office Cherifien des Phosphates DD11, 2.503%, 03/15/2018 (Morocco)	410,763
447,744	PT Angel ITFC DD8, 3.825%, 07/15/2018 (Indonesia)	447,744
424,444	PT Angel ITFC DD9, 3.825%, 07/15/2018 (Indonesia)	424,444
252,951	PT Angel ITFC DD10, 3.825%, 07/15/2018 (Indonesia)	252,951
621,428	PT Pan Brothers ITFC, 3.187%, 04/26/2018 (Indonesia)	621,428
1,500,000	Turk Eximbank Turkey, 3.048%, 03/09/2018 (Turkey)	1,494,000
TOTAL FOR TRADE FINANCE AGREEMENTS (Cost \$11,025,285) - 10.41%		11,041,620
 BANK DEPOSITS - 31.23%		
1,008,561	Albaraka Turk Participation Bank, 1.55%, 01/08/2018 (Turkey)	1,008,561
1,000,000	Arab Banking Corp., NY Branch, 1.83%, 04/12/2018 (Bahrain)	1,000,000
1,017,139	Arab Banking Corp., NY Branch, 1.93%, 05/17/2018 (Bahrain)	1,017,139
1,023,857	Arab Banking Corp., NY Branch, 2.02%, 01/25/2018 (Bahrain)	1,023,857

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

AZZAD WISE CAPITAL FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
BANK DEPOSITS - (Continued)	
2,054,387 Arab Banking Corp., NY Branch, 2.05%, 06/18/2018 (Bahrain)	\$ 2,054,387
1,016,340 Arab Banking Corp., NY Branch, 2.06%, 05/10/2018 (Bahrain)	1,016,340
1,000,000 Gulf International Bank (UK), 1.36%, 05/07/2018 (Bahrain)	1,000,000
1,006,863 Gulf International Bank (UK), 1.48%, 06/05/2018 (Bahrain)	1,006,862
1,000,964 Gulf International Bank (UK), 1.57%, 09/04/2018 (Bahrain)	1,000,964
1,000,000 Gulf International Bank (UK), 1.65%, 05/03/2018 (Bahrain)	1,000,000
1,272,005 Kuveyt Turk Participation Bank, 2.542%, 01/15/2018 (Turkey) **	1,272,005
2,100,558 Kuveyt Turk Participation Bank, 2.554%, 01/19/2018 (Turkey) **	2,100,558
1,168,708 Kuveyt Turk Participation Bank, 2.5639%, 03/27/2018 (Turkey) **	1,168,708
1,000,000 Maybank Islamic Bank, 1.58%, 01/16/2018 (Malaysia)	1,000,000
1,020,174 Maybank Islamic Bank, 1.60%, 01/25/2018 (Malaysia)	1,020,174
2,016,356 Maybank Islamic Bank, 1.73%, 05/24/2018 (Malaysia)	2,016,356
1,009,100 Maybank Islamic Bank, 1.75%, 02/12/2018 (Malaysia)	1,009,100
2,013,000 Maybank Islamic Bank, 1.75%, 03/01/2018 (Malaysia)	2,013,000
2,000,000 Qatar National Bank, 1.88%, 02/27/2018 (Qatar)	2,000,000
2,000,000 Qatar National Bank, 2.00%, 06/06/2018 (Qatar)	2,000,000
1,018,876 QIB (UK) Plc., 2.20%, 04/25/2018 (Qatar)	1,018,876
1,319,065 QIB (UK) Plc., 2.20%, 04/25/2018 (Qatar)	1,319,065
2,027,302 QIB (UK) Plc., 2.25%, 03/22/2018 (Qatar)	2,027,302
1,001,475 QIB (UK) Plc., 2.26%, 03/23/2018 (Qatar)	1,001,475
1,021,937 QIB (UK) Plc., 2.38%, 05/31/2018 (Qatar)	1,021,937
TOTAL FOR BANK DEPOSITS (Cost \$33,116,666) - 31.23%	33,116,666
TOTAL FOR INVESTMENTS (Cost \$96,422,384) * - 93.47%	99,121,124
OTHER ASSETS LESS LIABILITIES, NET - 6.53%	6,918,722
NET ASSETS - 100.00%	\$106,039,846

** Variable rate security; the coupon rate shown represents the yield at December 31, 2017.
The accompanying notes are an integral part of these financial statements.

AZZAD FUNDS

STATEMENT OF ASSETS AND LIABILITIES DECEMBER 31, 2017 (UNAUDITED)

	Azzad Ethical Fund	Azzad Wise Capital Fund
Assets:		
Investment Securities at Value (Cost \$60,186,586 and \$96,422,384, respectively)	\$ 71,139,412	\$ 99,121,124
Cash	4,551,919	6,057,018
Receivables:		
Shareholder Subscriptions	48,769	23,226
Securities Sold	-	347,664
Dividends	50,616	20,914
Sukuk and other income	-	682,461
Prepaid Expenses	11,999	14,799
Total Assets	75,802,715	106,267,206
Liabilities:		
Shareholder Redemptions	19,495	717
Securities Purchased	-	114,033
Due to Adviser	38,112	88,378
Distribution Fees	8,212	5,315
Trustee Fees	2,585	2,978
Accrued Expenses	15,898	15,939
Total Liabilities	84,302	227,360
Net Assets	\$ 75,718,413	\$106,039,846
Net Assets Consist of:		
Paid In Capital	\$ 64,494,017	\$103,366,655
Undistributed Net Investment Income (Loss)	(28,495)	8,041
Accumulated Realized Gain (Loss) on Investments	300,065	(33,590)
Unrealized Appreciation in Value of Investments	10,952,826	2,698,740
Net Assets, for 5,686,298 and 10,084,496 Shares Outstanding, respectively	\$ 75,718,413	\$106,039,846
Net Asset Value Per Share	\$ 13.32	\$ 10.52
Redemption Price Per Share (\$13.32*0.98; \$10.52*0.98) Note 5*	\$ 13.05	\$ 10.31

* The Funds will charge a 2.00% redemption fee on shares redeemed within 90 days of purchase for the Azzad Ethical Fund and for the Azzad Wise Capital Fund.

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

AZZAD FUNDS

STATEMENT OF OPERATIONS

For the six months ended December 31, 2017 (UNAUDITED)

	Azzad Ethical Fund	Azzad Wise Capital Fund
Investment Income:		
Dividends	\$ 334,439	\$ 106,437
Sukuk income	-	759,163
Other income from underlying investments (net of foreign tax withheld \$0 and \$16,403, respectively)	-	416,568
Total Investment Income	<u>334,439</u>	<u>1,282,168</u>
Expenses:		
Advisory	286,743	633,833
Distribution	53,764	26,632
Legal	4,794	1,859
Transfer Agent	28,865	35,625
Audit	4,633	5,949
Registration	13,707	14,835
Administrative	4,536	4,536
Custody	12,096	27,668
Printing	3,645	2,377
Trustee	1,260	1,023
Miscellaneous	2,384	9,405
Insurance	412	363
Total Expenses	<u>416,839</u>	<u>764,105</u>
Fees Waived and Reimbursed by the Advisor	(61,995)	(77,008)
Net Expenses	<u>354,844</u>	<u>687,097</u>
Net Investment Income (Loss)	<u>(20,405)</u>	<u>595,071</u>
Realized and Unrealized Gain on Investments and Foreign Currency Transactions:		
Realized Gain on Investments and Foreign Currency Transactions	1,007,805	252,864
Net Change in Unrealized Appreciation on Investments and Foreign Currency Transactions	5,957,535	401,514
Net Realized and Unrealized Gain on Investments and Foreign Currency Transactions	<u>6,965,340</u>	<u>654,378</u>
Net Increase in Net Assets Resulting from Operations	<u>\$ 6,944,935</u>	<u>\$ 1,249,449</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 <u>12/31/2017</u>	Year Ended <u>6/30/2017</u>
Increase (Decrease) in Net Assets From Operations:		
Net Investment Loss	\$ (20,405)	\$ (37,635)
Net Realized Gain on Investments	1,007,805	11,399,374
Unrealized Depreciation on Investments	5,957,535	(1,944,957)
Net Increase in Net Assets Resulting from Operations	<u>6,944,935</u>	<u>9,416,782</u>
Distributions to Shareholders:		
Net Investment Income	-	(58,692)
Realized Gains	(9,804,949)	-
Total Distributions	<u>(9,804,949)</u>	<u>(58,692)</u>
Capital Share Transactions	<u>9,633,383</u>	<u>(5,820,595)</u>
Total Increase in Net Assets	6,773,369	3,537,495
Net Assets:		
Beginning of Period	<u>68,945,044</u>	<u>65,407,549</u>
End of Period (Includes Undistributed Net Investment Loss of \$(28,495) and \$(8,090), respectively)	<u>\$ 75,718,413</u>	<u>\$ 68,945,044</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 <u>12/31/2017</u>	Year Ended <u>6/30/2017</u>
Increase (Decrease) in Net Assets From Operations:		
Net Investment Income	\$ 595,071	\$ 1,083,423
Net Realized Gain (Loss) on Investments	252,864	(229,324)
Unrealized Appreciation on Investments	401,514	315,123
Net Increase in Net Assets Resulting from Operations	<u>1,249,449</u>	<u>1,169,222</u>
Distributions to Shareholders:		
Net Investment Income	(602,223)	(1,102,769)
Realized Gains	-	-
Total Distributions	<u>(602,223)</u>	<u>(1,102,769)</u>
Capital Share Transactions	<u>1,238,152</u>	<u>10,790,525</u>
Total Increase in Net Assets	1,885,378	10,856,978
Net Assets:		
Beginning of Period	<u>104,154,468</u>	<u>93,297,490</u>
End of Period (Includes Undistributed Net Investment Income of \$8,041 and \$15,193, respectively)	<u>\$ 106,039,846</u>	<u>\$ 104,154,468</u>

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

AZZAD ETHICAL FUND

FINANCIAL HIGHLIGHTS

Selected data for a share outstanding throughout the period.

	(Unaudited)					
	Six Months		For the Years Ended			
	Ended					
	12/31/2017	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Net Asset Value, at Beginning of Period	\$ 13.88	\$ 12.06	\$ 13.44	\$ 13.69	\$ 12.24	\$ 10.77
Income From Investment Operations:						
Net Investment Income (Loss) *	0.00***	(0.01)	0.01	(0.03)	(0.02)	0.01
Net Gain (Loss) on Securities (Realized and Unrealized)	1.44	1.84	(1.31)	0.97	3.01	1.62
Total from Investment Operations	1.44	1.83	(1.30)	0.94	2.99	1.63
Distributions:						
Net Investment Income	0.00	(0.01)	0.00	0.00	(0.01)	(0.01)
Realized Gains	(2.00)	0.00	(0.08)	(1.19)	(1.53)	(0.15)
Total Distributions	(2.00)	(0.01)	(0.08)	(1.19)	(1.54)	(0.16)
Redemption Fees (a) ***	0.00	0.00	0.00	0.00	0.00	0.00
Net Asset Value, at End of Period	\$ 13.32	\$ 13.88	\$ 12.06	\$ 13.44	\$ 13.69	\$ 12.24
Total Return **	10.25%	15.20%	(9.66)%	7.05%	24.85%	15.36%
Ratios/Supplemental Data:						
Net Assets at End of Period (Thousands)	\$ 75,718	\$ 68,945	\$ 65,408	\$ 64,361	\$ 50,247	\$ 34,169
Before Waivers						
Ratio of Expenses to Average Net Assets	1.16%†	1.17%	1.16%	1.19%	1.19%	1.35%
Ratio of Net Investment Loss to Average Net Assets	(0.23)%†	(0.23)%	(0.12)%	(0.41)%	(0.32)%	(0.27)%
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	(0.06)%†	(0.06)%	(0.05)%	(0.21)%	(0.12)%	0.09%
Portfolio Turnover	9.99%	107.97%	33.70%	29.80%	56.66%	103.43%

(a) The Fund will charge a 2.00% 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

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

AZZAD WISE CAPITAL FUND

FINANCIAL HIGHLIGHTS

Selected data for a share outstanding throughout the period.

	(Unaudited)					
	Six Months		For the Years Ended			
	Ended 12/31/2017	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Net Asset Value, at Beginning of Period	\$ 10.45	\$ 10.44	\$ 10.39	\$ 10.34	\$ 10.09	\$ 10.07
Income From Investment Operations:						
Net Investment Income *	0.06	0.11	0.07	0.06	0.08	0.16
Net Gain on Securities (Realized and Unrealized)	0.07	0.01	0.05	0.05	0.35	0.10
Total from Investment Operations	0.13	0.12	0.12	0.11	0.43	0.26
Distributions:						
Net Investment Income	(0.06)	(0.11)	(0.07)	(0.06)	(0.07)	(0.16)
Realized Gains	0.00	0.00	0.00	0.00	(0.11)	(0.08)
Total Distributions	(0.06)	(0.11)	(0.07)	(0.06)	(0.18)	(0.24)
Redemption Fees (a)	0.00***	0.00***	0.00***	0.00***	0.00***	0.00
Net Asset Value, at End of Period	\$ 10.52	\$ 10.45	\$ 10.44	\$ 10.39	\$ 10.34	\$ 10.09
Total Return **	1.24%	1.19%	1.15%	1.02%	4.35%	2.61%
Ratios/Supplemental Data:						
Net Assets at End of Period (Thousands)	\$106,040	\$104,154	\$93,297	\$91,912	\$ 68,186	\$53,809
Before Waivers/Recoupment						
Ratio of Expenses to Average Net Assets	1.43%†	1.42%	1.42%	1.45%	1.52%	1.53%
Ratio of Net Investment Income to Average Net Assets	0.97%†	0.95%	0.60%	0.57%	0.79%	1.52%
After Waivers/Recoupment						
Ratio of Expenses to Average Net Assets	1.29%†	1.29%	1.36%	1.49%	1.49%	1.49%
Ratio of Net Investment Income to Average Net Assets	1.12%†	1.07%	0.66%	0.53%	0.82%	1.56%
Portfolio Turnover	7.70%	43.01%	19.10%	41.27%	27.13%	45.40%

(a) The Fund will charge a 2.00% 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.

† Annualized

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

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (UNAUDITED)

Note 1. Organization

The Azzad Funds, (the "Trust") is an open-end management investment company under the Investment Company Act of 1940 (the "Act"), as amended. 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 registered as a non-diversified fund and the Azzad Wise Capital Fund (the "Wise Fund"), which commenced operations on April 6, 2010 and is registered as a non-diversified fund. The series included in these financial statements are collectively referred to as 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 return consistent with 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.

Non-Diversification Risk- The Funds are non-diversified, which means they may invest a greater percentage of their assets in a fewer number of holdings as compared to other mutual funds that are more broadly diversified. As a result, the Funds' share price may be more volatile than the share price of some other mutual funds, and the poor performance of an individual holding in the Funds' portfolio may have a significant negative impact on the Funds' performance.

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 FASB Accounting Standard Codification 946 and ASU 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 Wise Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

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 the Wise 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" ("RIC") 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.

In addition, the Generally Accepted Accounting Principles ("GAAP") requires management of the Funds to analyze all open tax years, fiscal years 2014-2017, as defined by IRS statute of limitations for all major industries, including federal tax authorities and certain state tax authorities. As of and during the year ended June 30, 2017, the Funds did not have a liability for any unrecognized tax benefits. The Funds have no examinations in progress and are not aware of any tax positions for which it is reasonably possible that the total tax amounts of unrecognized tax benefits will significantly change in the next twelve months.

Cash and cash equivalents – The Funds consider all highly liquid debt instruments having original maturities of three months or less at the date of purchase to be cash equivalents. The Funds may, during the ordinary course of business, maintain account balances with banks in excess of federally insured limits. The Funds have not experienced losses on these accounts, and management believes that the Funds are not exposed to significant risks on such accounts.

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (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(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 for purposes of the 15% limitation by the Adviser, pursuant to procedures adopted by the Board of Trustees of the Trust, which require consideration of factors such as trading activity, availability of market quotations and number of dealers willing to purchase the security.

Redemption Fees- The Ethical Fund and the Wise Fund each charge a 2.00% redemption fee for shares redeemed within 90 days of investment. These fees are deducted from the redemption proceeds otherwise payable to the shareholder. The Funds will retain the fees charged as an increase in paid-in capital and such fees become part of each Fund's daily NAV calculation. See Note 5.

Dividends and Distributions to Shareholders- The Funds intend to distribute substantially all of their net investment income as dividends to their shareholders on at least an annual basis. The Funds intend to distribute their net realized long-term capital gains and their net realized short-term 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. The Ethical Fund re-classed \$29,545 from net investment loss to paid in capital. 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.

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

Note 3. Securities Valuations

Processes and Structure

The Funds' Board of Trustees has adopted guidelines for valuing securities including in circumstances in which market quotes are not readily available and has delegated to the Adviser the responsibility for determining fair value prices, subject to review by the Board of Trustees.

The Funds' Board of Trustees has adopted written Pricing and Valuation Procedures (the "Procedures") governing the fair valuation of securities, and has delegated authority to the company's investment adviser to apply those methods in making fair value determinations, subject to board oversight. The investment adviser has established a Valuation Committee to oversee the implementation of these Procedures. The Valuation Committee 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 Committee also reviews the Funds' Procedures to make sure they continue to be appropriate for the Funds. The Valuation Committee meets annually and on an as needed basis. The Valuation Committee reviews its own fair value decisions and reports to the Board of Trustees on all fair valuation decisions that are made. The Board of Trustees reviews all valuation decisions made by the Valuation Committee 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

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

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.

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 in level 2. Preferred stock and other equities traded on inactive markets or valued by reference to similar instruments are also categorized in level 2.

Sukuk. The Wise Fund invests in Sukuk. Sukuk 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. Sukuk 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, sukuk do not earn interest payments.

Sukuk may be issued by international financial institutions, foreign governments and agencies of foreign governments and even global corporations. Like conventional bonds, rating agencies rate Sukuk based on their credit quality and the issuer's ability to pay investors. Sukuk receive ratings that look exactly like conventional bonds. At December

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

31, 2017, 43.33% of the Wise Fund's net assets were invested in Sukuk. These instruments will be 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 agreements 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 agreements 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 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 will be categorized as level 3 investments in the fair value hierarchy. Trade finance agreements are considered illiquid securities as defined by the Investment Company Act of 1940. The Wise Fund's investments in trade finance agreements at December 31, 2017 represented 10.41% of the Wise Fund's net assets.

Bank 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 deposits will be categorized as level 2 investment in the fair value hierarchy. The Wise Fund held 31.23% of bank deposits at December 31, 2017.

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

The following tables summarize the inputs used to value each Fund's assets measured at fair value as of December 31, 2017:

<u>Azzad Ethical Fund</u>	Financial Instruments – Assets			
<i>Categories</i>	<u><i>Level 1</i></u>	<u><i>Level 2</i></u>	<u><i>Level 3</i></u>	<u><i>Fair Value</i></u>
Common Stocks *	\$ 69,024,027	\$ -	\$ -	\$ 69,024,027
Real Estate Investment Trusts	2,115,385	-	-	2,115,385
	<u>\$ 71,139,412</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,139,412</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, 2017.

<u>Azzad Wise Capital Fund</u>	Financial Instruments – Assets			
<i>Categories</i>	<u><i>Level 1</i></u>	<u><i>Level 2</i></u>	<u><i>Level 3</i></u>	<u><i>Fair Value</i></u>
Common Stocks *	\$ 8,179,252	\$ -	\$ -	\$ 8,179,252
Real Estate Investment Trusts	841,348	-	-	841,348
Sukuk *	-	45,942,238	-	45,942,238
Trade Finance Agreements	-	-	11,041,620	11,041,620
Bank Deposits	-	33,116,666	-	33,116,666
	<u>\$ 9,020,600</u>	<u>\$79,058,904</u>	<u>\$11,041,620</u>	<u>\$99,121,124</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 6/30/2017	\$ 3,381,055
Accrued Accretion/(Amortization)	-
Change in Unrealized Appreciation/(Depreciation)	42,408
Realized Gain/(Loss)	-
Purchases	8,425,969
Sales	(807,812)
Transfers In/(Out) of Level 3	-
Balance as of 12/31/2017	<u>\$ 11,041,620</u>

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

The Wise Fund uses a pricing service to provide price evaluations for Level 3 trade finance agreements. The quantitative unobservable inputs used by the pricing service are proprietary and not provided to the Wise Fund and therefore the disclosure that would address these inputs is not included above.

Note 4. Transactions with the Adviser and Affiliates

Advisory Agreement - Azzad Asset Management, Inc. (the "Adviser") under an advisory agreement with the Trust, furnishes management and investment advisory services and, subject to the supervision of the Trust's 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% and 1.19% of the average daily net assets for the Ethical Fund and Wise Fund, respectively.

For the six months ended December 31, 2017, the Adviser earned \$286,743 and \$633,833 in advisory fees for the Ethical Fund and Wise Fund, respectively. At December 31, 2017, the Adviser was owed \$37,348 and \$87,614 in advisory fees for the Ethical Fund and Wise Fund, respectively.

The Funds' Adviser has agreed to contractually waive all or a portion of its fees or reimburse the Funds 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 1.29%, for Ethical Fund and Wise Fund, respectively, of average daily net assets for a five year period ending December 1, 2018. Prior to November 1, 2015, the Wise Fund's net annual operating expenses were limited to 1.49% of average daily net asset. Any waiver or reimbursement of operating expenses by the Adviser is subject to repayment by the Funds within three years after such reimbursement or waiver occurred, if the Funds are able to make the repayment without exceeding the expense limitations (or, if less, the expense limitation then in place). For the six months ended December 31, 2017, the Adviser waived fees of \$61,995 for the Ethical Fund and \$77,008 for the Wise Fund.

The Adviser will be entitled to reimbursement of fees waived or reimbursed by the Adviser to the Funds. Fees waived or expenses reimbursed during a given year may be paid to the Adviser during the following three-year period to the extent that payment of such expenses does not cause the Funds to exceed the expense limitation. As of June 30, 2017, the unreimbursed amounts paid or waived by the Adviser on behalf of the Ethical Fund and Wise Fund are \$341,741 and \$187,417, respectively. As of June 30, 2017, amounts subject to future recoupment are as follows:

<u>Fiscal Year Ended</u>	<u>Recoverable Through</u>	<u>Ethical Fund</u>	<u>Wise Fund</u>
June 30, 2015	June 30, 2018	\$ 115,542	\$ -
June 30, 2016	June 30, 2019	\$ 109,938	\$ 58,756
June 30, 2017	June 30, 2020	\$ 116,261	\$ 128,661

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

Sub-advisory Agreement – The Adviser and the Board entered into a Sub-Advisory Agreement with Ziegler Capital Management (“Sub-Adviser”, “Ziegler”) on August 16, 2012, on behalf of the Ethical Fund. The sub-advisory fee paid to Ziegler is paid by the Adviser, not the Ethical Fund and therefore does not impact the fees paid by the Ethical Fund. The Ethical Fund receives additional research services and investment management expertise, from a reputable firm, without additional expense to the Ethical Fund.

The Adviser and the Board entered into a Sub-Advisory Agreement with Federated Investors, Inc. (“Sub-Adviser”, “Federated”) on March 10, 2014, on behalf of the Wise Fund. The sub-advisory fee paid to Federated is paid by the Adviser, not the Wise Fund and therefore does not impact the 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.

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, 2017, the Ethical Fund and the Wise Fund each paid the Adviser \$4,536 for administrative services pursuant to the agreement. As of December 31, 2017, each Fund owed the Adviser \$764, respectively, in administrative fees.

Note 5. Capital Share Transactions

The Board of Trustees 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, 2017 and year ended June 30, 2017:

Ethical Fund	<u>Six Months Ended</u>		<u>Year Ended</u>	
	<u>12/31/2017</u>		<u>6/30/2017</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares Sold	840,958	\$ 11,662,529	796,415	\$ 10,390,095
Shares issued in reinvestment of distributions	301,932	4,045,890	2,000	24,962
Redemption fees	-	466	-	456
Shares redeemed	<u>(423,553)</u>	<u>(6,075,502)</u>	<u>(1,253,861)</u>	<u>(16,236,108)</u>
Net Increase (decrease)	<u>719,337</u>	<u>\$ 9,633,383</u>	<u>(455,446)</u>	<u>\$ (5,820,595)</u>

As of December 31, 2017, paid-in-capital totaled \$64,494,017.

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

The following is a summary of capital share activity for the six months ended December 31, 2017 and year ended June 30, 2017:

Wise Fund	<u>Six Months Ended</u>		<u>Year Ended</u>	
	<u>12/31/2017</u>		<u>6/30/2017</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares Sold	1,118,821	\$ 11,725,864	3,174,006	\$33,151,963
Shares issued in reinvestment of distributions	12,467	130,773	21,838	227,710
Redemption fees	-	637	-	594
Shares redeemed	<u>(1,012,735)</u>	<u>(10,619,122)</u>	<u>(2,166,703)</u>	<u>(22,589,742)</u>
Net Increase	<u>118,553</u>	<u>\$ 1,238,152</u>	<u>1,029,141</u>	<u>\$10,790,525</u>

As of December 31, 2017, paid-in-capital totaled \$103,366,655.

Shareholders of the Ethical and Wise Fund are subject to a Redemption Fee on redemptions and exchanges equal to 2.00% of the net asset value of the Fund shares redeemed within 90 days after their purchase. For the six months ended December 31, 2017, \$466 and \$2,094 of redemption fees were collected from shareholders of the Ethical and Wise Fund, respectively, and reclassified to paid-in-capital.

Note 6. Investment Transactions

For the six months ended December 31, 2017, purchases and sales of investment securities other than U.S. Government obligations and short-term investments aggregated \$6,928,301 and \$9,756,657 respectively, for the Ethical Fund. For the six months ended December 31, 2017 \$4,202,783 and \$6,603,834, respectively, for the Wise Fund.

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, 2017, the diversification of countries was as follows:

<u>Country</u>	<u>Percentage of Net Assets</u>
Cayman Islands	17.14%
Qatar	12.16%
Bahrain	10.02%
Turkey	8.55%
United States	8.26%
Malaysia	8.06%
United Arab Emirates	7.74%
Indonesia	7.03%
Pakistan	3.95%
Egypt	2.16%
Morocco	1.90%
Oman	1.88%
Saudi Arabia	1.32%
Kuwait	0.96%
South Africa	0.72%
Tunisia	0.56%
Gambia	0.54%
Jersey	0.28%
Ireland	0.24%

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

Note 8. Tax Matters

As of December 31, 2017, 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	\$ 60,186,586	\$ 96,422,384
Gross tax appreciation of investments	\$ 12,284,597	\$ 2,941,611
Gross tax depreciation of investments	<u>\$(1,331,771)</u>	<u>\$ (242,871)</u>
Net tax appreciation	<u>\$ 10,952,826</u>	<u>\$ 2,698,740</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, 2017 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	\$ 4,995,291	\$ 2,297,226
Undistributed ordinary income	-	15,193
Deferral of post October Loss	-	(229,173)
Deferral of post December net investment loss	(8,090)	-
Undistributed realized gains	9,097,209	-
Capital loss carry forwards +:		
No expiration:		
Short-term	-	(45,229)
Long-term	-	(12,052)
	<u>\$ 14,084,410</u>	<u>\$ 2,025,965</u>

The undistributed ordinary income and capital gains (losses) shown may differ from corresponding accumulated net investment income and accumulated net realized gain (loss) reported on the statement of assets and liabilities due to certain temporary book/tax differences for the Wise Fund. Under current tax law, net capital losses realized after October 31st and net ordinary losses incurred after December 31st may be deferred and treated as occurring on the first day of the following fiscal year.

+ The capital loss carry forward will be used to offset any capital gains realized by the Wise Fund in future years through the indefinite expiration date. The Wise Fund will not make distributions from capital gains while a capital loss carry forward remains.

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

The Funds paid the following distributions for the six months ended December 31, 2017 and year ended June 30, 2017:

Ethical Fund

<u>Six Months Ended</u>	<u>\$ Amount</u>	<u>Tax Character</u>
12/31/2017	\$ 9,804,949	Long-Term Capital Gain

<u>Year Ended</u>	<u>\$ Amount</u>	<u>Tax Character</u>
06/30/2017	\$ 58,692	Ordinary Income

Wise Fund

<u>Six Months Ended</u>	<u>\$ Amount</u>	<u>Tax Character</u>
12/31/2017	\$ 602,223	Ordinary Income

<u>Year Ended</u>	<u>\$ Amount</u>	<u>Tax Character</u>
06/30/2017	\$ 1,102,769	Ordinary Income

Note 9. Distribution Plan

The Funds maintain a distribution expense plan (a "Plan") pursuant to Rule 12b-1 under the Investment Company Act that allows the Funds to pay distribution expenditures incurred in connection with the sale and promotion of the Funds and the furnishing of services to shareholders of the Funds. The Plan provides that the Funds 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 the Funds for the Ethical Fund and Wise Fund, respectively. Under the plan, permitted expenditures include: (i) commissions to sales personnel for selling shares of the Funds; (ii) compensation, sales incentives and payments to sales, marketing and service personnel; (iii) payments to broker-dealers and other financial institutions for services rendered in connection with the sale and distribution of shares of the Funds; (iv) payment of expenses incurred in sales and promotional activities, including advertising expenditures related to the Funds; (v) the cost of preparing and distributing promotional materials; (vi) the costs of printing the Funds' Prospectus and Statement of Additional Information for distribution to potential investors; (vii) other similar services that the Trustees determine are reasonably calculated to result in sales of shares of the Funds; and (viii) the costs of providing services to shareholders, including assistance in connection with inquiries related to shareholder accounts. Because these expenses are paid out of the Funds' 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, 2017, the Ethical Fund incurred \$53,764 in distribution fees and the Wise Fund incurred \$26,632 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 Investment Company Act of 1940. As of December 31, 2017, Folio Investments, in aggregate, owned approximately 57% and 69% of the shares of the Ethical Fund and the

AZZAD FUNDS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

Wise Fund, respectively, for the benefit of others. As a result, Folio may be deemed to control the Funds.

Note 11. Indemnifications

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

Note 12. Subsequent Events

On January 31, 2018, the Wise Fund paid shareholders of record at January 30, 2018, a net investment income distribution of \$101,902, equivalent to \$0.009957 per share. On February 28, 2018, the Wise Fund paid shareholders of record at February 27, 2018, a net investment income distribution of \$76,504, equivalent to \$0.007314 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, 2017 (UNAUDITED)

Expense Example

As a shareholder of the Funds, you incur two types of costs: (1) transaction costs, including redemption fees and exchange fees; and (2) ongoing costs, including management fees; distribution [and/or service] (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 Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, July 1, 2017 through December 31, 2017.

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.

AZZAD FUNDS

EXPENSE ILLUSTRATION (CONTINUED) DECEMBER 31, 2017 (UNAUDITED)

Azzad Ethical Fund

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period*
	<u>July 1, 2017</u>	<u>December 31, 2017</u>	<u>July 1, 2017 to December 31, 2017</u>
Actual	\$1,000.00	\$1,102.55	\$5.25
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).

Azzad Wise Capital Fund

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period*
	<u>July 1, 2017</u>	<u>December 31, 2017</u>	<u>July 1, 2017 to December 31, 2017</u>
Actual	\$1,000.00	\$1,012.45	\$6.54
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,018.70	\$6.56

* Expenses are equal to the Fund's annualized expense ratio of 1.29%, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

AZZAD FUNDS

ADDITIONAL INFORMATION DECEMBER 31, 2017 (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.

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-Q. The Funds' Form N-Q is available on the SEC's web site at <http://www.sec.gov>. The Funds' Form N-Q 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.

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.

BOARD OF TRUSTEES

Syed K. Raheemullah
Bashar Qasem
Abed Awad, Esq.

INVESTMENT ADVISER

Azzad Asset Management, Inc.

SUB-ADVISER

Ziegler Capital Management
Federated Investors, Inc.

**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.