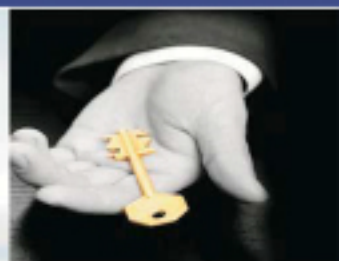


Funds Managed by:
AKD Investment Management Ltd.

Quarterly Report
September 30, 2021
(Un-Audited)



quarterly report



Partner with AKD
Profit from the Experience



AKD Investment
Management Ltd.

MANAGEMENT COMPANY

216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman

Mr. Abdul Karim

Director & Chief Executive Officer

Mr. Imran Motiwala

Director

Ms. Anum Dhedhi

Ms. Aysha Ahmed

Mr. Ali Wahab Siddiqui

Mr. Hasan Ahmed

Mr. Saim Mustafa Zuberi

CHIEF OPERATING OFFICER AND COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob Sultan, CFA

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Muhammad Munir Abdullah

HEAD OF INTERNAL AUDIT OF THE MANAGEMENT COMPANY

Ms. Tayyaba Masoom Ali

AUDIT COMMITTEE

Mr. Ali Wahab Siddiqui (Chairman)

Mr. Hasan Ahmed (Member)

Mr. Saim Mustafa Zuberi (Member)

Ms. Tayyaba Masoom Ali (Secretary)

HUMAN RESOURCE AND REMUNERATION (HR & R) COMMITTEE

Ms. Aysha Ahmed (Chairman)

Mr. Abdul Karim (Member)

Mr. Imran Motiwala (Member)

Ms. Anum Dhedhi (Member)

Mr. Saim Mustafa Zuberi (Member)

Mr. Muhammad Yaqoob Sultan, CFA (Secretary)

RATING

AKD Investment Management Limited
AM3++ (AM Three Plus Plus) issued by PACRA

CORPORATE
INFORMATION

VISION



To serve investors in Pakistan's capital markets with diligence, integrity and professionalism, thereby delivering consistent superior returns and unparalleled customer service.

MISSION STATEMENT



AKD Funds shall continuously strive to:

- ▶ *Keep primary focus on investing clients' interest*
- ▶ *Achieve highest standards of regulatory compliance and good governance*
- ▶ *Prioritize risk management while endeavoring to provide inflation adjusted returns on original investment*
- ▶ *Enable the investing public and clients to make AKDIML Funds a preferred part of their overall savings and investment management strategy*
- ▶ *Distinguish themselves and compete on the basis of unparalleled service quality while setting industry standards for professionalism, transparency and consistent superior performance*
- ▶ *Foster and encourage technical, professional, ethical development of human capital to provide our people the best opportunities and environment for their personal growth*

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited (AKDIML), the Management Company of AKD Opportunity Fund (AKDOF), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF), Golden Arrow Stock Fund (GASF) and AKD Islamic Stock Fund (AKDISSF) presents its first quarter report along with the Funds' un-audited Financial Statements for the Quarter ended September 30, 2021.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)

For the 1QFY22, the return of AKD Opportunity Fund stood at -7.86% compared to the benchmark KSE-100 Index return of -5.19%.

Golden Arrow Stock Fund (GASF)

For the 1QFY22, the return of Golden Arrow Stock Fund stood at -5.04% compared to the benchmark KSE-100 Index return of -5.19%.

AKD Index Tracker Fund (AKDITF)

For the 1QFY22, the return of AKD Index Tracker Fund stood at -4.50% compared to the benchmark KSE-100 Index return of -5.19%.

AKD Cash Fund (AKDCF)

For the 1QFY22, the annualized return of AKD Cash Fund stood at 8.12% compared to the benchmark return of 6.77%.

AKD Aggressive Income Fund (AKDAIF)

For the 1QFY22, the annualized return of AKD Aggressive Income Fund stood at 11.23% compared to the benchmark return of 7.93%.

AKD Islamic Income Fund (AKDISIF)

For the 1QFY22, the annualized return of AKD Islamic Income Fund stood at 8.53% compared to the benchmark return of 3.13%.

AKD Islamic Stock Fund (AKDISSF)

For the 1QFY22, the return of AKD Islamic Stock Fund stood at -7.18% compared to the benchmark KMI-30 Index return of -5.62%.

MACRO PERSPECTIVE

Pakistan's economy continued to witness robust recovery where pace of the economy has exceeded the expectations of the State Bank of Pakistan (SBP). However, rising domestic demand coupled with surging international commodity prices have led to a Current Account Deficit (CAD) of 4.1% of GDP, imported inflation and depreciation of the local currency. The SBP while remaining cognizant of inflationary pressures of the CAD, opted to lean towards a growth accommodating monetary stance; hence, nominally increasing the discount rate by 25bps to 7.25% in its September 2021 monetary policy meeting. Receipts of ~\$2.77bn provided by the IMF under its program to facilitate developing countries during the pandemic helped forex reserves to reach \$25.98bn.

The external account for 1QFY22 reported a CAD of \$3.4bn (4.1% of GDP) as compared to surplus of \$0.87 bn (1.2% of GDP) reported during same period last year (SPLY) owing to an increase in the Balance of Trade, as the imports remained under pressure due to higher commodity prices – crude oil in particular, coupled with the import of vaccines and disbursements against TERF related capital expenditure (SBP disbursement reportedly \$1.63bn during FY22). However, Remittances posted phenomenal growth of 12.49%YoY to \$8.04bn during 1QFY22. The Government's efforts to attract Non-Resident Pakistani money paid off, attracting \$2.41bn through Roshan Digital Accounts (RDA) with more than 245,000 accounts.

According to press reports, the Federal Board of Revenue (FBR) has made net revenue collection of PKR 1,395bn during 1QFY22, up by 38.3%YoY as compared to ~PKR 1,004bn recorded during SPLY. FBR has exceeded its given target of PKR 1,211bn by a margin of PKR 186 billion. In addition, FBR has also witnessed an impressive 45% growth in the filing of tax returns and 64% growth in tax collection as of closing date for filing income tax returns, despite FBR's avoidance this year of extending filing dates as observed in the past.

As per Pakistan Bureau of Statistics (PBS), the average National Consumer Price Index (NCPI) in 1QFY22 was recorded at 8.58%YoY as compared to 8.84%YoY. Core Inflation, calculated by excluding food and energy prices, clocked in at 6.53%YoY and 6.43% YoY for Urban and Rural areas respectively, as compared to 5.47%YoY and 7.73%YoY, SPLY.

The Large Scale Manufacturing (LSM) sector witnessed an increase of 7.26% for July-August FY22 as compared 3.66% reported during same period last year. During the period under review, major contribution towards the growth came from Automobiles, Food, Beverages & Tobacco, Iron & Steel Products, and Pharmaceuticals to name a few. However, overall growth during the period was kept in check by sectors that posted negative growth including Rubber Products and Fertilizers.

EQUITY MARKET REVIEW

During 1QFY22, KSE-100 Index declined by 2,456pts, down by 5.19% to close at 44,899.60pts. The Equity market remained under pressure owing to 1) setbacks on the foreign policy front following US withdrawal from Afghanistan, 2) weakness in macro indicators on the back of the CAD and 3) tightening monetary stance by the Central Bank, were a few key factors that kept investors cautious.

Average daily turnover also decreased by 38.4%QoQ and 18%YoY to 412.3 million shares as compared to 669.42mn shares and 500.23mn shares recorded during 4QFY21 and 1QFY21 respectively. Moreover, investor interest diverted to second and third tier stocks as depicted by a decrease in ratio of KSE-100 volumes over total turnover and value traded. Overwhelming response was witnessed for fresh equity issues where two new companies got listed during 1QFY22 in which a liking towards the technology sector was also affirmed by record participation.

Some of the negative news flows that kept investor sentiments abay included: 1) SBP increased interest rates by 25 bps to 7.25% after 15 months to contain the soaring CAD and higher inflation expectations. 2) US senators move draft bill seeking imposition of sanctions on Pakistan. 3) CAD rose to USD 1.5 billion in August 2021 and Rupee hits all-time low of PKR 172 against the USD. 4) MSCI downgrades Pakistan to a “Frontier” market from Emerging effective December and 5) FATF plenary meeting scheduled in October 2021. On the other hand, some of the positive news reports failed to revive investor interest included: 1) FBR collection up by 45%YoY to PKR 434bn during August 2021 exceeding the target by PKR 85bn 2) IMF 6th review to start in mid of October for release of \$1bn tranche 3) Fitch predicts Pakistan’s GDP to grow by 4.2% and 4) The receipt of \$~2.8bn from the IMF took forex reserves with the SBP to ~20 billion

Foreign investors continued to remain net sellers for the eighth consecutive quarters with net outflows of \$83.40mn taking cumulative outflows to \$778.95mn. Individuals, Other Organizations and Banks/DFI were the major net buyers with net buying of \$32.53mn, \$26.85mn and \$21.30mn respectively. Whereas Brokers and Mutual Funds were net sellers with net selling of \$14.95mn and \$7.42mn respectively.

The sectors that dragged the KSE-100 down included Cement, Tobacco, Oil & Gas Exploration, Refinery and Automobile Assembler with decrease in market capitalization by 17.5%, 19.1%, 8.6%, 33.5%, and 13.2% respectively. However, some of the losses were compensated by Technology & Communication, Miscellaneous, Commercial Banks, Modarabas and Real Estate Investment Trust with increase in market capitalization by 13.8%, 43.0%, 2.6%, 74.5% and 6.4% respectively.

In terms of valuation, the KSE-100 Index closed at a forward Price to Earnings multiple of 5.25x, which is a 63.18% discount as compared to MSCI Frontier Markets P/E of 14.27 and offering a healthy dividend yield of 6.91%.

MONEY MARKET REVIEW

During 1QFY22, six (6) MTB auctions were carried out by the SBP, where the government managed to raise PKR 3.50trn cumulatively. Weighted average yield of 3, 6 and 12 months MTB were 7.27%, 7.53%, and 7.65% respectively, up by 0.36%, 0.58%, and 0.60% as compared to 6.91%, 6.95%, and 7.05% same period last year.

SBP also conducted three (3) auctions of Fixed Rate Pakistan Investment Bonds (PIBs) and was successful in raising PKR 409.26bn during 1QFY22. Weighted average yield for 3, 5 and 10 years PIBs increased by 0.97%, 0.83%, and 0.93% to 8.78%, 9.18%, and 9.84% as compared to 7.81%, 8.35%, and 8.91% for same period last year.

The Monetary Policy Committee announced two (2) Monetary Policy Statements during the year where the Committee increased the policy rate by 25 bps to 7.25% in September 2021. The SBP conducted 25 Open Market Operations (OMO) of different maturities and injected average amount of PKR1.19trn at an average cut off yield of 7.13% and mopped-up PKR0.20trn at a cut off yield of 7.22%.

As per the auction target calendar for October – December 2021, the SBP targets to raise PKR5.05trn by issuing MTB against maturing amount of PKR 5.10trn. In addition, SBP targets to raise another PKR 300 bn through 3 – 30 years Fixed Rate PIBs during the period against maturing amount of PKR 55bn.

FUTURE OUTLOOK

Going forward, we remain optimistic about the economic outlook for FY22, where the SBP expects growth in upper end of 4 to 5 percent. Recent depreciation of local currency has helped to contain the external account as CAD for September has decreased by 24%MoM to \$1.11bn as compared to \$1.47bn. Reportedly, CAD is expected to go up to \$14bn (~4% of GDP). SBP's stance to raise interest rates in monetary policy of September will help contain inflationary pressures. As per the staff level agreement, reportedly Pakistan has agreed to further increase interest rates by 100 bps to 8.25%. The Real Effective Exchange Rate (REER) of 95.86 by end of September 2021 implies a very low likelihood of further Rupee depreciation.

We believe the reclassification of Pakistan to MSCI Frontier market will reduce foreign selling which has been recorded since FY16 as the local bourse would have a more significant weight of a much smaller fund allocated to frontier markets, unlike the case in the emerging markets.

On the Fixed Income front, expected increase in interest rates as agreed with International Monetary Fund in staff level agreement, will bode well for yields of fixed income instruments.

We expect the stock market to remain positive due to expansionary fiscal policy by the Government where the country has posted a provisional GDP growth of ~4.40% in FY21. We reiterate our positive market outlook for FY22 based on (i) expected growth in GDP owing to robust corporate earnings and agriculture growth (ii) compelling Price to Earnings multiple of 5.25x, (iii) Healthy dividend yield of 6.91% (iv) negative real interest rates, (v) reduction in capital gains tax rate from 15.00% to 12.50% for capital market transactions.

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Abdul Karim Memon
Chairman

Karachi: October 29, 2021

AKD Islamic Stock Fund



MANAGEMENT COMPANY

AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

TRUSTEE

MCB Financial Services Limited
4th Floor, Perdesi House,
2/1 R-Y Old Queens Road,
Karachi-74200

BANKERS

BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Summit Bank Limited (Islamic Banking)

AUDITORS

Yousuf Adil
Chartered Accountants
Cavish Court A-35, Block 7 & 8
KCHSU, Sharah-e-Faisal,
Karachi-75350, Pakistan

LEGAL ADVISER

Sattar & Sattar
Attorneys -at -law 3rd Floor, UBL
Building,
I.I. Chundrigar Road, Karachi

REGISTRAR

AKD Investment Management Limited.
216 - 217, Continental Trade Centre,
Block-8, Clifton Karachi-74000
UAN: 111-253-465 (111-AKDIML)

DISTRIBUTORS

AKD Investment Management Limited
Financial Investments Mart (Pvt) Ltd.
Investomate (Private) Limited.
Investlink Advisor (Private) Limited.
YPay Financial Services (Pvt.) Ltd.

RATING

AKD Islamic Stock Fund
By PACRA: Performance Ranking
Short Term: MFR-5 star

FUND MANAGER'S REPORT

i) Description of the Collective Investment Scheme Category and types:

Open – end Islamic Equity Scheme.

ii) Statement of Collective Investment Scheme's investment objective:

AKD Islamic Stock Fund (AKDISSF) is designed to earn competitive returns by investing in the stock market. The objective of AKD Islamic Stock Fund is to invest in the capital markets through an optimal combination of strategies in Shariah compliant equities providing growth and dividends.

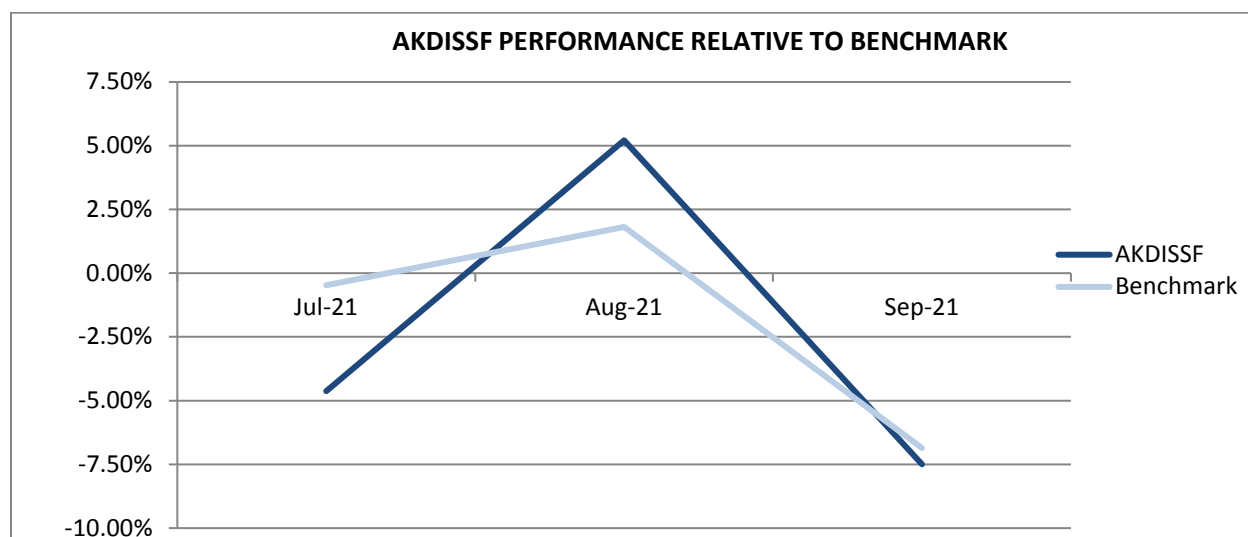
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 1QFY22, the return of AKD Islamic Stock Fund stood at -7.18% compared to the benchmark KMI-30 Index return of -5.62%.

iv) Statement of benchmark (s) relevant to the Collective Investment Scheme:

KMI-30 Index

v) Comparison of the Collective Investment Scheme's performance during the period compared with its said benchmark:



Monthly yield	Jul-21	Aug-21	Sep-21
AKDISSF	-4.63%	5.21%	-7.50%
Benchmark	-0.47%	1.81%	-6.86%

- vi) Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance:

AKD Islamic Stock Fund is an Open – end Islamic Equity Scheme; the returns of the Fund are generated through investment in Islamic stocks which have strong growth potential.

- vii) Disclosure of Collective Investment Scheme's asset allocation as the date of report and particulars of significant changes in asset allocation:

Asset Allocation (% of Total Assets)	30-Sep-21	30-June-21
Equities	91.80%	96.16%
Cash	4.10%	2.96%
Other Assets including Receivables	4.10%	0.88%

- viii) Non-Compliant Investment

Name of Non Compliant Investment	Type of Investment	Value of Investment before Provision	Provision held if any	Value of Investment after Provision	Percentage of Net Assets	Percentage of Gross Assets
-----Rupees in '000-----						
Hub Power Company Limited	Equity	58,824	Nil	58,824	15.97%	14.81%
Imperial Limited	Equity	4,822	Nil	4,822	1.31%	1.21%

- ix) Analysis of the Collective Investment Scheme's performance:

1QFY22 Return	-7.18%
Benchmark Return	-5.62%

- x) Changes in the total NAV and NAV per unit since the last reviewed period:

Net Asset Value			NAV Per Unit	
30-Sep-21	30-Jun-21	Change in Net Assets	30-Sep-21	30-Jun-21
(Rupees In "000")			Rs.	Rs.
368,367	425,360	-13.40%	46.2220	49.7969

- xi) Disclosure on the markets that the Collective Investment Scheme has invested in including – review of the market (s) invested in and returns during the period:**

MACRO PERSPECTIVE

Pakistan's economy continued to witness robust recovery where pace of the economy has exceeded the expectations of the State Bank of Pakistan (SBP). However, rising domestic demand coupled with surging international commodity prices have led to a Current Account Deficit (CAD) of 4.1% of GDP, imported inflation and depreciation of the local currency. The SBP while remaining cognizant of inflationary pressures of the CAD, opted to lean towards a growth accommodating monetary stance; hence, nominally increasing the discount rate by 25bps to 7.25% in its September 2021 monetary policy meeting. Receipts of ~\$2.77bn provided by the IMF under its program to facilitate developing countries during the pandemic helped forex reserves to reach \$25.98bn.

The external account for 1QFY22 reported a CAD of \$3.4bn (4.1% of GDP) as compared to surplus of \$0.87 bn (1.2% of GDP) reported during same period last year (SPLY) owing to an increase in the Balance of Trade, as the imports remained under pressure due to higher commodity prices – crude oil in particular, coupled with the import of vaccines and disbursements against TERF related capital expenditure (SBP disbursement reportedly \$1.63bn during FY22). However, Remittances posted phenomenal growth of 12.49%YoY to \$8.04bn during 1QFY22. The Government's efforts to attract Non-Resident Pakistani money paid off, attracting \$2.41bn through Roshan Digital Accounts (RDA) with more than 245,000 accounts.

According to press reports, the Federal Board of Revenue (FBR) has made net revenue collection of PKR 1,395bn during 1QFY22, up by 38.3%YoY as compared to ~PKR 1,004bn recorded during SPLY. FBR has exceeded its given target of PKR 1,211bn by a margin of PKR 186 billion. In addition, FBR has also witnessed an impressive 45% growth in the filing of tax returns and 64% growth in tax collection as of closing date for filling income tax returns, despite FBR's avoidance this year of extending filing dates as observed in the past.

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The sectors that dragged the KSE-100 down included Cement, Tobacco, Oil & Gas Exploration, Refinery and Automobile Assembler with decrease in market capitalization by 17.5%, 19.1%, 8.6%, 33.5%, and 13.2% respectively. However, some of the losses were compensated by Technology & Communication, Miscellaneous, Commercial Banks, Modarabas and Real Estate Investment Trust with increase in market capitalization by 13.8%, 43.0%, 2.6%, 74.5% and 6.4% respectively.

In terms of valuation, the KSE-100 Index closed at a forward Price to Earnings multiple of 5.25x, which is a 63.18% discount as compared to MSCI Frontier Markets P/E of 14.27 and offering a healthy dividend yield of 6.91%.

FUTURE OUTLOOK

Going forward, we remain optimistic about the economic outlook for FY22, where the SBP expects growth in upper end of 4 to 5 percent. Recent depreciation of local currency has helped to contain the external account as CAD for September has decreased by 24%MoM to \$1.11bn as compared to \$1.47bn. Reportedly, CAD is expected to go up to \$14bn (~4% of GDP). SBP's stance to raise interest rates in monetary policy of September will help contain inflationary pressures. As per the staff level agreement, reportedly Pakistan has agreed to further increase interest rates by 100 bps to 8.25%. The Real Effective Exchange Rate (REER) of 95.86 by end of August 2021 implies a very low likelihood of further Rupee depreciation.

We believe the reclassification of Pakistan to MSCI Frontier market will reduce foreign selling which has been recorded since FY16 as the local bourse would have a more significant weight of a much smaller fund allocated to frontier markets, unlike the case in the emerging markets.

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We expect the stock market to remain positive due to expansionary fiscal policy by the Government where the country has posted a provisional GDP growth of ~4.40% in FY21. We reiterate our positive market outlook for FY22 based on (i) expected growth in GDP owing to robust corporate earnings and agriculture growth (ii) compelling Price to Earnings multiple of 5.25x, (iii) Healthy dividend yield of 6.91% (iv) negative real interest rates, (v) reduction in capital gains tax rate from 15.00% to 12.50% for capital market transactions.

xii) Description and explanation of any significant changes in the state of the affairs of the Collective Investment Scheme during the period and up till the date of Fund Manager's report, not otherwise disclosed in the financial statements:

There were no significant changes in the state of affairs during the period and up till the date of Fund Manager's report under review.

xiii) Disclosure of any split (if any), comprising:

There were no unit splits during the period.

xiv) Break down of unit holding size:

Range (Units)	No. of Investors
0.1 - 9,999	145
10,000 - 49,999	80
50,000 - 99,999	43
100,000 - 499,999	78
500,000 and above	79
Total	425

xv) Disclosure of circumstances that materially affect any interests of unit holders:

Investments are subject to credit and market risk.

xvi) Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker (s) or dealers by virtue of transaction conducted by the Collective Investment Scheme:

No soft commission has been received by the AMC from its broker or dealer by virtue of transactions conducted by the Collective Investment Scheme.


AKD ISLAMIC STOCK FUND
Condensed Interim Statement of Assets and Liabilities
As at September 30, 2021

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	Rupees in '000	
Assets			
Bank balances	5	16,291	13,092
Investments	6	364,481	425,744
Dividend and Profit receivable on bank deposits	7	6,164	767
Deposits, prepayments and other receivables	8	8,195	2,817
Preliminary expenses and floatation cost	9	285	336
Receivable against sale of securities		1,642	-
Total Assets		397,058	442,756
Liabilities			
Payable to AKD Investment Management Limited - Management Company	10	1,579	1,542
Payable to MCB Financial Services Limited - Trustee	11	42	45
Payable to Securities and Exchange Commission of Pakistan	12	20	58
Payable against purchase of investment		12,760	10,860
Accrued expenses and other liabilities	13	14,290	4,891
Total Liabilities		28,691	17,396
Net Assets		368,367	425,360
Unit Holders' Fund (as per statement attached)		368,367	425,360
Contingencies and Commitments	14		
		Number of units	
Number of units in issue		7,969,516	8,541,902
		Rupees	
Net assets value per unit		46.2220	49.7969

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

AKD ISLAMIC STOCK FUND
Condensed Interim Income Statement (Un-audited)
For the first quarter ended September 30, 2021

	Note	2021 (Rupees in '000)	2020
Income			
Capital gain / (loss) on sale of investments		5,050	7,290
Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'financial assets at fair value through profit and loss'	6.2	(39,510)	34,763
Dividend income		6,130	-
Profit on bank deposits		150	205
Reversal of Provision for Sindh Workers' Welfare Fund		2,263	-
Total gain / (loss)		(25,917)	42,258
Expenses			
Remuneration of the Management Company		1,996	1,045
Sales tax on the remuneration of the Management Company		259	136
Remuneration of the Trustee		120	63
Sales tax on the Trustee remuneration		16	8
Annual fee to the Securities and Exchange Commission of Pakistan		20	11
Expenses allocated by the Management Company		449	183
Securities transaction costs		283	357
Auditors' remuneration		59	50
Settlement and bank charges		27	20
Amortisation of preliminary expenses and floatation costs		51	51
Fee and subscription		211	177
Printing and related cost		38	38
Legal and professional charges		279	108
Charity		61	-
Provision for Sindh Workers' Welfare Fund		-	800
Total expenses		3,869	3,047
Net Income / (loss) for the period before taxation		(29,786)	39,211
Taxation	16	-	-
Net Income / (loss) for the period after taxation		(29,786)	39,211
Allocation of net income for the period			
Net income for the period after taxation		-	39,211
Income already paid on units redeemed		-	(5,749)
		-	33,462
Accounting income available for distribution			
Relating to capital gain		-	33,462
Excluding capital gains		-	-
		-	33,462

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

 Chief Executive Officer	 Director	 Chief Financial Officer
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AKD ISLAMIC STOCK FUND
Condensed Interim Statement of Comprehensive Income (Un-audited)
For the first quarter ended September 30, 2021

	2021 (Rupees in '000)	2020
Net Gain / (loss) for the period after taxation	(29,786)	39,211
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	<u>(29,786)</u>	<u>39,211</u>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

**For AKD Investment Management Limited
(Management Company)**


Chief Executive Officer


Director



Chief Financial Officer

AKD ISLAMIC STOCK FUND
Condensed Interim Cash Flow Statement (Un-audited)
For the first quarter ended September 30, 2021

Note	2021 (Rupees in '000)	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net gain / (loss) for the period before taxation	(29,786)	39,211
Adjustments		
Amortisation of preliminary expenses and floatation costs	51	51
Capital loss / (gain) on sale of investments	(5,050)	(7,290)
Net unrealised (appreciation) / diminution on remeasurement of investments classified as 'financial assets at fair value through profit and loss'	39,510	(34,763)
	<u>4,725</u>	<u>(2,791)</u>
(Increase) / decrease in assets		
Investments	26,803	(142,027)
Dividend and Profit receivable on bank deposits	(5,397)	(70)
Deposits, prepayments and other receivables	(5,378)	(2,453)
Receivable against sale of securities	(1,642)	-
	<u>14,386</u>	<u>(144,550)</u>
Increase / (decrease) in liabilities		
Payable to AKD Investment Management Limited - Management Company	37	652
Payable to MCB Financial Services Limited - Trustee	(3)	19
Payable to Securities and Exchange Commission of Pakistan	(38)	(15)
Payable against purchase of investment	1,900	-
Accrued expenses and other liabilities	9,399	18,426
	<u>11,295</u>	<u>19,082</u>
Net cash generated from / (used in) operating activities	<u>30,406</u>	<u>(128,259)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units	192,345	213,956
Payment against redemption of units	(219,552)	(81,176)
Net cash generated from financing activities	<u>(27,207)</u>	<u>132,780</u>
Net increase / (decrease) in cash and cash equivalents	<u>3,199</u>	<u>4,521</u>
Cash and cash equivalents at beginning of the period	13,092	664
Cash and cash equivalents at end of the period	<u>5</u> <u>16,291</u>	<u>5,185</u>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

AKD ISLAMIC STOCK FUND
Condensed Interim Statement of Movement In Unit Holders' Fund (Un-audited)
For the first quarter ended September 30, 2021

	2021			2020		
	Capital value	Undistributed income	Net assets	Capital value	Undistributed income	Net assets
----- (Rupees in '000) -----						
Net assets at beginning of the period	462,079	(36,719)	425,360	211,190	(84,178)	127,012
Issuance of 3,971,659 units (2020: 5,387,610)						
- Capital value (at net asset value per unit at the beginning of the period)	197,776	-	197,776	161,152	-	161,152
- Element of income	(5,431)	-	(5,431)	52,804	-	52,804
Total proceeds on issuance of units	192,345	-	192,345	213,956	-	213,956
Redemption of 4,544,045 units (2020: 2,038,196)						
- Capital value (at net asset value per unit at the beginning of the period)	226,279	-	226,279	60,966	-	60,966
- Element of income	(6,727)	-	(6,727)	14,461	5,749	20,210
Total payments on redemption of units	219,552	-	219,552	75,427	5,749	81,176
Total comprehensive income / (loss) for the period	-	(29,786)	(29,786)	-	39,211	39,211
Distribution during the period	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	(29,786)	(29,786)	-	39,211	39,211
Net assets at end of the period	434,872	(66,505)	368,367	349,719	(50,716)	299,003
Undistributed loss brought forward						
- Realised		(86,400)			(64,274)	
- Unrealised		49,681			(19,904)	
		(36,719)			(84,178)	
Accounting income available for distribution						
- Relating to capital gains		-			33,462	
- Excluding capital gains		-			33,462	
Net loss for the period after taxation		(29,786)			-	
Distribution during the period		-			-	
Undistributed loss carried forward		(66,505)			(50,716)	
Undistributed gain / (loss) carried forward						
- Realised loss		(26,995)			(85,479)	
- Unrealised gain / (loss)		(39,510)			34,763	
		(66,505)			(50,716)	
Net assets value per unit at beginning of the period			(Rupees) 49.7969			(Rupees) 29.9117
Net assets value per unit at end of the period			46.2220			39.3651

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

AKD ISLAMIC STOCK FUND
Notes to the condensed interim financial statements (Un-audited)
For the first quarter ended September 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Islamic Stock Fund (the Fund) was established under a Trust Deed, dated August 30, 2017, executed between AKD Investment Management Limited (AKDIML) as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on May 30, 2017. The initial Public Offering (IPO) of the Fund was made during the period from February 19, 2018 to February 20, 2018 and the Fund commenced operations from February 21, 2018. In accordance with the Trust Deed, the first accounting period of the Fund commenced on the date on which the Fund property was first transferred to the Trustee i.e. February 19, 2018.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh.

The Fund is an open-ended collective investment scheme and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

The Fund is categorised as an open end Shariah Complaint (Islamic) Equity Scheme in accordance with Circular 7 of 2009, issued by the Securities and Exchange Commission of Pakistan (SECP). Al-Hilal Shariah Advisors (Private) Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

The Pakistan Credit Rating Company Limited (PACRA) has assigned asset manager rating of 'AM3++' to the Management Company dated February 08, 2021. The Fund has been given performance ranking of '5-Star' (Short Term) by PACRA on August 6, 2021.

Title to the assets of the Fund are held in the name of MCB Financial Services Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

- 2.2** This condensed interim financial information does not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended 30 June 2021.
- 2.3** This condensed interim financial information is being submitted to the unitholders as required under Regulation 38 (g) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and are unaudited.

3. SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and methods of computation followed for the preparation of this condensed interim financial information are the same as those applied in preparing the financial statements as at and for the year ended 30 June 2021.

In preparing this condensed interim financial information, Management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by Management in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended 30 June 2021.

4. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2021.

		(Un-Audited) 30-Sep-2021	(Audited) 30-Jun-2021
5.	BANK BALANCES		
	In saving accounts		
		<u>16,291</u>	<u>13,092</u>
5.1	This represent bank accounts held with different banks. Mark-up rate on these accounts is 5.00% (June 30, 2021: 5.00%) per annum.		
6.	INVESTMENTS		
	At fair value through profit and loss'		
	- Listed equity securities	<u>364,481</u>	<u>425,744</u>

6.1 Listed Equity Securities

Name of the investee company	Face value per share (Rupees)	Number of shares				Balance as at Sept. 30, 2021			Market value as percentage of investments of net assets	Market value as percentage of investments of net assets	Percentage of paid up capital of the investee company held	
		As at July 01, 2021	Purchases during the period	Bonus / Right issue	Sales during the period	As at Sept. 30, 2021	Carrying cost	Market value				Appreciation/ (diminution)
SHARES OF LISTED COMPANIES - fully paid ordinary shares												
----- Rupees in '000 ----- % -----												
Automobile Assembler												
Ghandhara Nissan Limited	10	999	-	-	-	999	109	87	(22)	0.02	0.02	0.00
Millat Tractors Limited	10	11	-	-	-	11	12	12	-	0.00	0.00	0.00
							121	99	(22)			
Automobile Parts & Accessories												
Thal Limited	5	35,000	-	-	-	35,000	14,797	13,592	(1,205)	3.73	3.69	0.04
Cable & Electrical Goods												
Pakistan Cables Limited	10	40,000	-	-	-	40,000	5,980	6,305	325	1.73	1.71	0.11
Cement												
Javedan Corporation Limited	10	761,190	-	-	-	761,190	32,122	45,588	13,466	12.51	12.38	0.24
Maple Leaf Cement Factory Limited	10	-	215,000	-	-	215,000	7,161	7,568	407	2.08	2.05	0.02
Thatta Cement Company Limited	10	-	1,330,000	-	1,330,000	-	39,283	53,156	13,873	-	-	-
Chemical												
Lotte Chemical Pakistan Limited	10	4,150,000	-	-	1,002,000	3,148,000	48,605	44,041	(4,564)	12.08	11.96	0.21
Commercial Banks												
BankIslami Pakistan Limited	10	1,000,300	75,000	-	-	1,075,300	12,038	13,549	1,511	3.72	3.68	0.10
Engineering												
Crescent Steel & Allied Products Limited	10	20,000	-	-	10,000	10,000	840	561	(279)	0.15	0.15	0.01
International Industries Limited (note 6.1.2)	10	160,000	19,000	-	119,000	60,000	12,606	10,006	(2,600)	2.75	2.72	0.05
International Steels Limited	10	481,213	-	-	331,213	150,000	14,012	11,432	(2,580)	3.14	3.10	0.03
							27,458	21,999	(5,459)			
Fertilizer												
Engro Corporation Limited	10	50,000	-	-	-	50,000	14,730	13,987	(743)	3.84	3.80	0.01
Food & Personal Care Products												
Al Shaheer Corporation Limited	10	2,700,499	450,000	-	239,000	2,911,499	58,071	41,343	(16,728)	11.34	11.22	0.97
Investment Banks/Inv. Cos./ Sec. Cos												
Imperial Limited	10	-	200,000	-	-	200,000	5,400	4,822	(578)	1.32	1.31	0.20
Oil & Gas Exploration Companies												
Pakistan Petroleum Limited	10	40,000	-	-	-	40,000	3,473	2,996	(477)	0.82	0.81	0.00
Paper & Board												
Pakistan Paper Products Limited	10	666	-	-	-	666	60	54	(6)	0.01	0.01	0.01
Pharmaceuticals												
Abbot Laboratories Pakistan Ltd	10	-	18,500	-	-	18,500	14,565	14,298	(267)	3.92	3.88	0.02
Power Generation & Distribution												
Hub Power Company Limited (note 6.1.1)(note 6.1.3)	10	800,000	-	-	-	800,000	63,736	58,824	(4,912)	16.14	15.97	0.06
K-Electric Limited	3.5	743,000	-	-	-	743,000	3,106	2,972	(134)	0.82	0.81	0.00
							66,842	61,796	(5,046)			

Name of the investee company	Face value per share (Rupees)	Number of shares					Balance as at Sept. 30, 2021			Market value as percentage of investments	Market value as percentage of net assets	Percentage of paid up capital of the investee company held	
		As at July 01, 2021	Purchases during the period	Bonus / Right issue	Sales during the period	As at Sept. 30, 2021	Carrying cost	Market value	Appreciation/ (diminution)				
Rupees in '000												%	
Refinery													
BYCO Petroleum Limited	10	4,850,000	600,000	-	-	5,450,000	61,985	44,580	(17,405)	12.23	12.10	0.10	
Sugar & Allied Industries													
The Premier Sugar Mills Limited	10	2,800	-	-	2,800	-	-	-	-	-	-	-	
Technology and Communication													
Pakistan Telecommunication Company Limited	10	750,000	-	-	-	750,000	8,880	7,020	(1,860)	1.93	1.91	0.02	
TRG Pakistan Limited	10	-	70,000	-	10,000	60,000	9,890	9,700	(190)	2.66	2.63	0.01	
							<u>18,770</u>	<u>16,720</u>	<u>(2,050)</u>				
Textile Composite													
Nishat Mills Limited	10	110,000	-	-	-	110,000	10,263	9,995	(268)	2.74	2.71	0.03	
Vanaspatti & Allied Industries													
Punjab Oil Mills Limited	10	6,200	-	-	-	6,200	1,550	1,149	(401)	0.32	0.31	0.12	
Total as at September 30, 2021							<u>403,991</u>	<u>364,481</u>	<u>(39,510)</u>				
Total as at June 30, 2021							<u>376,063</u>	<u>425,744</u>	<u>49,681</u>				

6.1.1 This includes 300,000 shares pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin.

6.1.2 This includes 50,000 shares pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin.

6.1.3 The exposure limit of investment in a single company as percentage of net assets exceeded by 0.97% against the prescribed limit of 15% of the total net assets as required under section 55(6) of NBFC Regulations.

		(Un-Audited) 30-Sep-2021	(Audited) 30-Jun-2021
		Rupees in '000	
6.2	Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		
	Market value of investments		
	Carrying amount of investments	6.1 6.1	6.1
		364,481	425,744
		(403,991)	(376,063)
		<u>(39,510)</u>	<u>49,681</u>
7	Dividend and Profit receivable on bank deposits		
	Profit on bank balance		
	Dividend Receivable		
		34	167
		<u>6,130</u>	<u>600</u>
		<u>6,164</u>	<u>767</u>
8	DEPOSITS AND PREPAYMENTS		
	Security deposits with		
	- National Clearing Company of Pakistan Limited	2,500	2,500
	- Central Depository Company of Pakistan Limited	100	100
	Receivable against Conversion of units	5,443	-
	Prepaid PSX Listing Fee	21	-
	Prepaid Shairah Advisor fee	131	217
		<u>8,195</u>	<u>2,817</u>
9	PRELIMINARY EXPENSES AND FLOATATION COST		
	Preliminary expenses and floatation cost		
	Less: Amortised during the period	9.1	9.1
		336	541
		<u>(51)</u>	<u>(205)</u>
		<u>285</u>	<u>336</u>
9.1	Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.		
10	PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY		
	Management fee	10.1	10.1
	Sales tax on management fees	10.2	10.2
	Expenses allocated by the management company	10.3	10.3
	Formation cost		
	Others		
		623	668
		81	87
		140	117
		541	541
		194	129
		<u>1,579</u>	<u>1,542</u>
10.1	During the period the Management Company has charged 2% (June 30, 2021: 2%) per annum management fee.		
10.2	Sindh sales tax at the rate of 13% (June 30, 2021: 13%) on gross value of management fee is charged under the provisions of Sindh Sales Tax on Services Act, 2011.		
10.3	The Management Company has charged expenses at the rate of 0.45% per annum of the average annual net assets of the Fund being lower than actual expenses chargeable to Fund, from July 01, 2021 to September 30, 2021.		
11	PAYABLE TO MCB FINANCIAL SERVICES LIMITED - TRUSTEE		
	Trustee fee	11.1	11.1
	Sindh Sales Tax	11.2	11.2
		37	40
		5	5
		<u>42</u>	<u>45</u>

- 11.1 The Trustee is entitled to a monthly remuneration to be paid monthly in arrears for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund.

The tariff structure applicable to the fund is as follows:

Amount of Funds Under Management [Average Net Assets Value (NAV)]	Tariff per annum
Upto Rs 1,000 million	0.12% of Net Assets
Exceeding Rs 1,000 million and up to Rs.5,000 million	Rs. 1.2 million plus 0.065% per annum of the amount exceeding Rs. 1,000 million
Exceeding Rs. 5,000 million and up to Rs. 10,000 million	Rs. 3.8 million plus 0.06% per annum of the amount exceeding Rs. 5,000 million

- 11.2 Sindh Sales Tax is charged at 13% (June 30, 2021: 13%) on Trustee fee.

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

Note (Un-Audited) 30-Sep-2021 (Audited) 30-Jun-2021 Rupees in '000

Annual fee payable to SECP

12.1 20 58

- 12.1 Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 a collective investment scheme is required to pay as annual fee to the Securities and Exchange Commission of Pakistan, an amount equal to 0.02% (June 30, 2021: 0.02%) of the average annual net assets of the scheme. The fee is payable annually in arrears.

13 ACCRUED AND OTHER LIABILITIES

Brokerage payable		161	507
Auditors remuneration		199	173
Printing charges payable		188	150
Provision for Sindh Workers' Welfare Fund (SWWF)	13.1	-	2,263
Payable against redemption of units		1,000	-
Payable against conversion of units		11,712	-
Charity Payable		639	725
Credit Rating Fee Payable		166	132
Others		225	941
		<u>14,290</u>	<u>4,891</u>

- 13.1 During the year Sindh Revenue Board (SRB) through its letter dated August 12, 2021 to Mutual Funds Association of Pakistan (MUFAP) has clarified that Asset Management Company's (AMCs) are covered under the term "financial institutions" as per the SWWF Act, 2014 and are therefore, subject to SWWF charge whereas the Mutual Funds managed by those AMCs do not qualify as "Financial Institutions" as per SWWF Act, 2014 and are therefore, not liable to pay SWWF contributions. The development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies. In consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

14 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at September 30, 2021 and June 30, 2021.

15 **TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund as at September 30, 2021 is 0.98% (September 30, 2020: 1.47%) which includes 0.09% (September 30, 2020: 0.48%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, Sales Taxes, Annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Income Scheme.

16 **TAXATION**

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Management Company has intends to distribute cash dividend of at least 90% of the aforementioned accounting income to the unit holders. Accordingly, no provision for taxation has been recognised in these financial statements.

17 **TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons include AKD Investment Management Limited, being the Management MCB Financial Services Limited, being the Trustee, Aqeel Karim Dhedhi Securities (Private) Limited, AKD Securities Limited, directors, officers and other connected persons of the Management Company, and their connected persons.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates. Details of transactions and balances with connected persons are as follows:

(Un-Audited)
Period ended September 30,
2021 2020
(Rupees in '000)

17.1 **Transactions during the period**

AKD Investment Management Limited - Management Company		
Remuneration to Management Company	1,996	1,045
Expenses allocated by the Management Company	449	183
Sindh Sales Tax on management remuneration	259	136
Sales Load	65	163
Issue of 77,080 units (2020: Nil)	3,800	-
MCB Financial Services Limited - Trustee		
Trustee remuneration	120	63
Sindh Sales Tax on trustee remuneration	16	8
AKD Securities Limited		
Brokerage Expense	18	64
Shares Sold by AKD Islamic Stock Fund to AKD Securities Limited	-	4,600
AKD Opportunity Fund - Common Management Company		
Shares purchased by AKD Islamic Stock Fund from AKD Opportunity Fund	27,468	-
Golden Arrow Stock Fund- Common Management Company		
Shares Sold by AKD Islamic Stock Fund to Golden Arrow Stock Fund	28,231	-
Imran Motiwala - CEO of the Management Company		
Issue of 7,312 units (2020: Nil)	368	-
Sehr Imran Motiwala - Spouse - CEO of the Management Company		
Redemption of 30,551 units (2020: Nil)	1,500	-
Muhammad Yaqoob- Company Secretary and Chief Operating Officer		
Issue of Nil units (2020: 10,646)	-	450
Redemption of 10,646 units (2020: Nil)	528	-
M3 Technologies Pakistan Private Limited Employees Provident Fund		
Issue of 122,103 units (2020: Nil)	6,000	-
Mustafa Shahid* - Connected person		
due to more than 10% holding		
Issue of units Nil (2020: 2,046,641)	-	79,998
Redemption of Nil units (2020: 1,078,884)	-	43,394

*prior period connected party current figures not shown

17.2 Balances outstanding at the period / year end	(Un-Audited) 30-Sep-2021	(Audited) 30-Jun-2021
	Rupees in '000	
AKD Investment Management Limited - Management Company		
Remuneration payable	623	668
Sales Tax Provincial on Management Remuneration	81	87
Expenses allocated by the Management Company	140	117
Payable against formation cost	541	541
Sales Load payable	194	129
Outstanding 77,080 units (June 2021: Nil units)	3,563	-
MCB Financial Services Limited - Trustee		
Remuneration payable	37	40
Sales tax on trustee remuneration payable	5	5
AKD Securities Limited - Brokerage		
Brokerage payable	-	170
Receivable / Payable against conversion of units		
Payable against conversion of units - AKD Aggressive Income Fund	1,200	-
Payable against conversion of units - AKD Islamic Income Fund	10,512	-
Receivable against conversion of units - AKD Cash Fund	10	-
Receivable against conversion of units - AKD Islamic Income Fund	4,733	-
Receivable against conversion of units - Golden Arrow Stock Fund	700	-
Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund		
Outstanding 200,000 units (June 2021: 200,000 units)	9,244	9,959
Muhammad Farid Alam - Key Management Personnel of Associated Company		
Outstanding 30,000 units (June 2021: 30,000 units)	1,387	1,494
Hina Aqeel - Close family member of the Chairman of the Group		
Outstanding 53,233 units (June 2021: 53,233 units)	2,461	2,651
Anum Dhedhi - Chief Investment Officer & Director of the Management Company		
Outstanding 100,314 units (June 2021: 100,314 units)	4,637	4,995
Yasmeen Dhedhi - Close family member of the Chairman of the Group		
Outstanding 20,000 units (June 2021: 20,000 units)	924	996
Muhammad Yaqoob - Chief Operating Officer and Company Secretary of the Management Company		
Outstanding Nil units (June 2021: 10,646 units)	-	530
Sehr Imran Motiwala - Spouse - CEO of the Management Company		
Outstanding 143,204 units (June 2021: 173,755 units)	6,619	8,652
Carrow Michael - Key Management Personnel of the Management Company		
Outstanding units 196 (June 2021: 196 units)	9	10
Toqir Hussain - Key Management Personnel of the Management Company		
Outstanding 600 units (June 2021: 600 units)	28	30
M3 Technologies Pakistan Private Limited Employees Provident Fund		
Outstanding units 122,103 (June 2021: Nil)	5,644	-
TPL Insurance Limited**- Connected person due to more than 10% holding		
Outstanding 839,883 units (June 2021: Nil units)	38,821	-
** Current period connected party, prior period figures not shown		
Nargis Shahid Soorty - Connected person due to more than 10% holding		
Outstanding 871,254 units (June 2021: 871,254 units)	40,271	43,386
Mustafa Shahid*- Connected person due to more than 10% holding		
Outstanding Nil units (June 2021: 864,459 units)	-	43,047
*prior period connected party current figures not shown		

18. **FAIR VALUE OF FINANCIAL INSTRUMENTS**

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e. period end date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognized at fair value, based on:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table show the carrying amount and fair values of financial assets and financial liabilities including the levels in the fair value hierarchy.

		As at September 30, 2021					
		Carrying Amount			Fair Value		
	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)			(Rupees in '000)		
ASSETS							
Financial assets measured at fair value							
Investment	364,481	-	364,481	364,481	-	-	364,481

		As at June 30, 2021					
		Carrying Amount			Fair Value		
	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)			(Rupees in '000)		
ASSETS							
Financial assets measured at fair value							
Investment	425,744	-	425,744	425,744	-	-	425,744

19. **DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on 29 OCT 2021 by the Board of Directors of the Management Company.

20. **CORRESPONDING FIGURES**

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

21. **GENERAL**

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

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer



**AKD Investment
Management Ltd.**

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