

Quarterly Report

September 30, 2023

(un-audited)



Funds Managed by:
AKD Investment Management Ltd

Partner with AKD
Profit form the Experience



**AKD Investment
Management Ltd.**

CORPORATE INFORMATION

MANAGEMENT COMPANY

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

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY*

Chairman

Mr. Khalid Mahmood

Chief Executive Officer*

Mr. Imran Motiwala

Director(s)

Ms. Anum Dhedhi
Ms. Aysha Ahmed
Mr. Ali Wahab Siddiqi
Mr. Hasan Ahmed
Mr. Abid Hussain

CHIEF OPERATING OFFICER AND COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob Sultan, CFA

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Munir Abdullah

HEAD OF INTERNAT AUDIT OF THE MANAGEMENT COMPANY

Ms. Tayyaba Masoom Ali, ACA (ICAP & ICAEW)

AUDIT AND RISK MANAGEMENT COMMITTEE

Mr. Ali Wahab Siddiqui (Chairman)
Mr. Hasan Ahmed (Member)
Ms. Tayyaba Masoom Ali, ACA (ICAP & ICAEW) (Secretary)

HUMAN RESOURCE AND REMUNERATION (HR & R) AND NOMINATION COMMITTEE

Ms. Aysha Ahmed (Chairperson)
Mr. Abdul Karim (Member)
Mr. Imran Motiwala (Member)
Ms. Anum Dhedhi (Member)
Mr. Muhammad Yaqoob Sultan, CFA (Secretary)

RATING

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

**Election of Directors was held on October 10, 2023.*

Approval is pending from SECP.

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

- » Keep primary focus on investing clients' interest
- » Achieve highest standards of regulatory compliance and good governance
- » Prioritize risk management while endeavouring 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 leading 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), Golden Arrow Stock Fund (GASF), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF), AKD Islamic Stock Fund (AKDISSF) and AKD Islamic Daily Dividend Fund (AKDIDDF) is pleased to present its first quarter report along with the Funds' un-audited Financial Statements for the quarter ended September 30, 2023.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)

For the 1QFY24, the return of AKD Opportunity Fund stood at 4.38% compared to the benchmark KSE-100 Index return of 11.53%.

Golden Arrow Stock Fund (GASF)

For the 1QFY24, the return of Golden Arrow Stock Fund stood at 9.11% compared to the benchmark KSE-100 Index return of 11.53%.

AKD Islamic Stock Fund (AKDISSF)

For the 1QFY24, the return of AKD Islamic Stock Fund stood at 19.77% compared to the benchmark KMI-30 Index return of 9.78%.

AKD Index Tracker Fund (AKDITF)

For the 1QFY24, the return of AKD Index Tracker Fund stood at 10.91% compared to the benchmark KSE-100 Index return of 11.53%.

AKD Cash Fund (AKDCF)

For the 1QFY24, the annualized return of AKD Cash Fund stood at 21.69% compared to the benchmark return of 21.94%.

AKD Islamic Income Fund (AKDISIF)

For the 1QFY24, the annualized return of AKD Islamic Income Fund stood at 20.70% compared to the benchmark return of 7.60%.

AKD Aggressive Income Fund (AKDAIF)

For the 1QFY24, the annualized return of AKD Aggressive Income Fund stood at 22.43% as compared to the benchmark return of 23.54%.

AKD Islamic Daily Dividend Fund (AKDIDDF)

For the 1QFY24, the annualized return of AKD Islamic Daily Dividend Fund stood at 18.79% as compared to the benchmark return of 8.35%.

MACRO PERSPECTIVE

The year FY24 brought fresh tides of hope for Pakistan as the economy stepped on the path to recovery. Pakistan saw a major decline in imports as high inflation coupled with record interest rates led to demand compression coupled with progressive efforts like restoring the balance to the exchange rate via stopping illegal channels. On the monetary front, SBP kept the policy rate status quo reaffirming market consensus that the monetary tightening cycle had perhaps come to an end, while relaying optimism of monetary easing during 2HFY24 on the back of high base effect and average inflation peaking at 29% levels. Pakistan is also likely to receive the remaining two tranches in line with the IMF Stand-by Agreement following key measures undertaken as required under the said Program. In addition, Reportedly, Pakistan is also scheduled to hold National Elections in January 2024 which will fill the void created by political uncertainty over the past couple of years, ensuring much needed political clarity.

The Current Account Deficit for the month of September 2023 clocked in at USD 8 million, from a Current Account Deficit of USD 164 million (*revised*) in August 2023 taking the 1QFY24 CAD to USD 0.95 billion against USD 2.26 billion, down -58% YoY during the same period last year primarily due to a decline in imports.

The total Imports witnessed a hefty decline of -19% YoY from USD 18.38 billion to USD 14.86 billion during 3MFY24 whereas the total exports also declined by -4% YoY from USD 8.73 billion to USD 9.10 billion. Furthermore, foreign workers continued to support the external account which also declined -20% YoY from USD 7.90 billion to USD 6.33 billion. The decline is achieved mostly due to the import restrictions that were placed during most of the year.

The SBP in its Monetary Policy Committee on October 30, 2023, decided to keep the policy rate unchanged at 22% which was in line with the market consensus. The SBP premised their decision based on the forward looking inflation projections and the already on-going declining inflationary trend from 29%>28%>27% in the months June>July>August considering September's 31% as an outlier. Moreover, the SBP believes that despite global oil prices soaring recently, its impact will in principle be passed onto the consumers through subsequent price increases, while inflation is like to remain overall on a downward trajectory from 2HFY24. Additionally, the expected ease in supply constraints owing to better agriculture output and the recent administrative measures against speculative activity in the FX and commodity markets would also support the inflation outlook.

The SBP's medium term target for inflation is 5-7% by FY25. The next MPC meeting is due to be held on December 12, 2023, where we expect the interest rates to remain unchanged despite early expectations of rate cuts. The change in our stance from declining interest rates to holding the interest rates at record high levels of 22% is that the incumbent government continues facing economic headwinds despite improvement in CAD and FX reserves.

The Government's resilient efforts to attract investments from Non-Resident Pakistanis continued to yield results, with an impressive inflow of USD 6.76 billion through Roshan Digital Accounts (RDA) with more than 610,000 accounts till September 2023.

Moreover, the FBR collected revenues worth PKR 2.04 trillion during 1QFY24 against the target of 1.98 trillion during same period last year exceeding the target by PKR 63 billion. Moreover, FBR also achieved the target for the month of September 2023 by collecting PKR 834 billion (*PKR 688 billion SPLY*) against a target of PKR 794 billion.

As per the SBP Country-wise Remittances data for FY24, Pakistan has received remittances of USD 767 million from USA, USD 947 million from UK, USD 1,516 million from KSA and USD 1,024 million from UAE. The SBP reserves currently stands at USD 7.49 billion (*total liquid FX reserves USD 12.66 billion*) as at October 20, 2023 representing an import cover of mere 7 weeks.

The NCPI during the month of September 2023 clocked in at 31.44% YoY as compared to 27.38% YoY in July 2023 and 23.18% in September 2022. This took the 3MFY24 average NCPI to 29.04% compared to 25.11% during the SPLY.

The Large Scale Manufacturing (*LSMI*) sector, which accounts for about 80% of the country's industrial output, increased by 2.52% YoY in August 2023 compared to same period last year after 13 months of consecutive decline as a result of expensive raw material costs in the light of currency devaluation, high interest rates, and global recession.

EQUITY MARKET REVIEW

The Equity market witnessed an aggressive come back during 1QFY24 closing in at 46,232.59 level, gaining 4,779.90 points (*11.53% YoY*). During the quarter, investors celebrated improving macros with an appreciating currency while withering hard but necessary steps taken by the caretaker setup to ensure sustainability for the country. In addition, the market also celebrated the unchanged interest rate stance of the SBP which is signaling the end of the tightening era.

During 1QFY24, investor participation improved as volumes increased by 29% YoY to 280 million shares from 217 million shares recorded during last year. Surprisingly, after five years of outflows from FY18 to FY22, foreigners were net buyers in FY23 with USD 1.53 million and another massive USD 22 million was attracted in 1QFY24. Foreigner's interest was majorly caught in Commercial Banks (*USD 16 million*) and Technology and Communication (*USD 8 million*).

The sectors that performed during 1QFY24 are Commercial Banks (*19.58%*), Oil & Gas Exploration Companies (*15.10%*), Chemical (*11.21%*), Power Generation & Distribution (*17.10%*), and Food & Personal Care Products (*4.11%*). While the sectors that kept the bulls in check are Fertilizer (*-7.61%*),

Synthetic & Rayon (-5.30%), Pharmaceuticals (-2.08%), Modarabas (-15.41%), Paper & Board (-4.23%) as panic swayed away local investors to safer havens and fixed income given that interest rates are almost at record highs.

On a 10Y period, the KSE - 100 index yielded an annualized return of 7.79% (-2.48% *annualized in USD terms*). The persistent decline in the local currency against the US Dollar has kept foreign investors at bay despite extremely compelling valuations. While foreigners have been on the sell side for several years now; frontier market investors are likely to turn net buyers given the unprecedented currency adjustment and cheap valuations provided that Pakistan implement key economic and policy reforms.

The KSE-100 index continues to trade at exceedingly attractive multiples with PE and PB of 4.21x and 0.67x with a healthy dividend yield of 10.54%. Pakistan is witnessing perhaps one of the highest interest rate environments since independence with yields on government securities crossing 22%. Our pro-equity stance stems from the fact that the government in lieu with the newly appointed COAS have dedicated their tireless efforts towards combating corruption, hoarding of gold/dollars, banning of items under Afghan Transit Trade and have remarkably managed to control exchange devaluation and default risk till now. In the future, we may see inflation tipping off due to high base effect in 2HFY24 and expect monetary easing eventually. Looking ahead the caretaker's performance in stabilizing the currency and economy broadly while staying in line with the IMF Program is indeed encouraging and positioned the market for a likely re-rating.

FIXED INCOME REVIEW

During 1QFY24, the State Bank of Pakistan maintained the interest rate at decade high levels of 22% in response to un-abating inflationary pressures, with the average NCPI for 1QFY24 soaring to 29.04%, and the pressing need to fortify the country's deteriorating external account.

The heightened policy rate played a significant role in driving up the rates of government securities, attracting substantial investments into these instruments as investors sought improved returns offered by government debt securities.

During the quarter, the State Bank of Pakistan conducted a total of six (6) Market Treasury Bill (MTB) auctions, where the government managed to raise PKR 7.84 trillion against the auction target of PKR 8.70 trillion. Notably, the weighted average yields for 3, 6 and 12 month MTBs were 22.81%, 22.99% and 23.12%, respectively, up by 717 bps, 735 bps, and 736 bps compared to the same period last year.

To further address the need for liquidity, SBP also conducted three (3) auctions of fixed-rate Pakistan Investment Bond (PIB) and was successful in raising PKR 0.19 trillion. The weighted average yields for 3Y, 5Y and 10Y PIBs increased by 541 bps, 68 bps, whereas, the weighted average yield of 10Y PIB decreased by 8 bps, respectively, to stand at 19.33%, 13.98% and 12.99%.

In the market for Shariah Compliant instruments, the SBP conducted a total of five (5) auctions of GOP Ijara Sukuk, both Variable Rental Rate (VRR) and Fixed Rental Rate (FRR). These auctions successfully raised PKR 579.70 billion against the auction target of PKR 540.00 billion.

Moreover, the State Bank of Pakistan carried out 24 Open Market Operations (OMOs) with varying maturities, injecting PKR 10.85 trillion into the market at an average cut-off yield of 22.10% and mopped up PKR 4.38 trillion at an average cut-off yield of 21.99%.

Looking ahead to the auction target calendars for October through December 2023, the State Bank of Pakistan aims to raise PKR 7.91 trillion by issuing 3 to 12-month MTBs against the maturing amount of PKR 8.95 trillion. Additionally, the SBP targets to raise PKR 480 billion through 3 to 30-year fixed-rate PIBs and PKR 2,280 billion.

FUTURE OUTLOOK

As the Country paves its way through FY24, the caretaker government has introduced essential reforms that will help the economy get back on track to stability. Some of these steps include increase of gas tariffs to address the issue of burgeoning gas sector circular debt, privatize loss making SOEs such as PSM and PIA, and improve the governance in the power sector especially the DISCOs. Moreover, the Caretaker setup has also been making continuous efforts to bring Foreign Investments in different sectors of the economy under the forum of Special Investment Facilitation Centre (SIFC). We believe that all these structural changes and reforms are necessary to turn around the current economic state and back to a path of sustainable growth. While market consensus suggests foreseeably that the Central Bank has reached its monetary tightening cycle for now, both the fiscal and external accounts are likely to remain very challenging for the Government in the coming year. On the other hand, notably inflation is expected to come off sharply starting from 2HFY24 as the high base affect plays out, perhaps providing much needed respite in the form of a reduction in interest rates as debt servicing remains challenging .

We believe that the support from IMF under the new agreement has largely subsided the default risk that the country was adamantly facing and has also ensured inflows in the form of grants and aids from other bilateral and multilateral partners.

Pakistan's first IMF review under the new Standby Arrangement reached with the Fund in June 2023 scheduled in early November is likely to be one of the key drivers of the market direction ahead. Notably, the Government has carefully chalked out an economic revival plan and is envisaging massive fiscal consolidation to bring down its expenditures to record a primary balance surplus for the fiscal year 2024 for which the Government is contemplating a cut in the Public Sector Development Programme (PSDP) or imposing additional taxes. On the political front, developments regarding the holding of general elections in January 2024 will also be particularly eyed by market participants.

Lastly, we believe that the market continues to trade at attractive multiples with a PE of 4.41x while offering a healthy dividend yield of 11.28% as at September 28, 2023.

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Khalid Mehmood
Chairman

Karachi: October 31, 2023

FUND INFORMATION

AKD Islamic Stock Fund



Management Company

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

Trustee

Digital Custodian Company Limited (DCCL)
[Formerly: MCB Financial Services Limited (MCBFSL)]
4th Floor, Perdesi House, 2/1 R-Y Old Queens Road
Karachi-74200

Bankers

Bankislami Pakistan Limited

Auditors

Riaz Ahmad and Company
Chartered Accountants
Office No. 5, 20th Floor, Bahria Town Tower
Block 2, P.E.C.H.S.
Karachi, Pakistan

Legal Advisor

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, Karach - 74000
UAN: 111-253-465 (111-AKDIML)

Distributor

Al-Hilal Securities Advisors (Pvt.) Ltd.
Financial Investments Mart (Pvt) Ltd.
Investlink Advisor (Private) Limited.
Investomate (Private) Limited
YPay Financial Services (Pvt.) Ltd.

Rating-AKDISSF

By PACRA
Performance Ranking
LT Rating: 4-Star
ST Rating: 1-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.

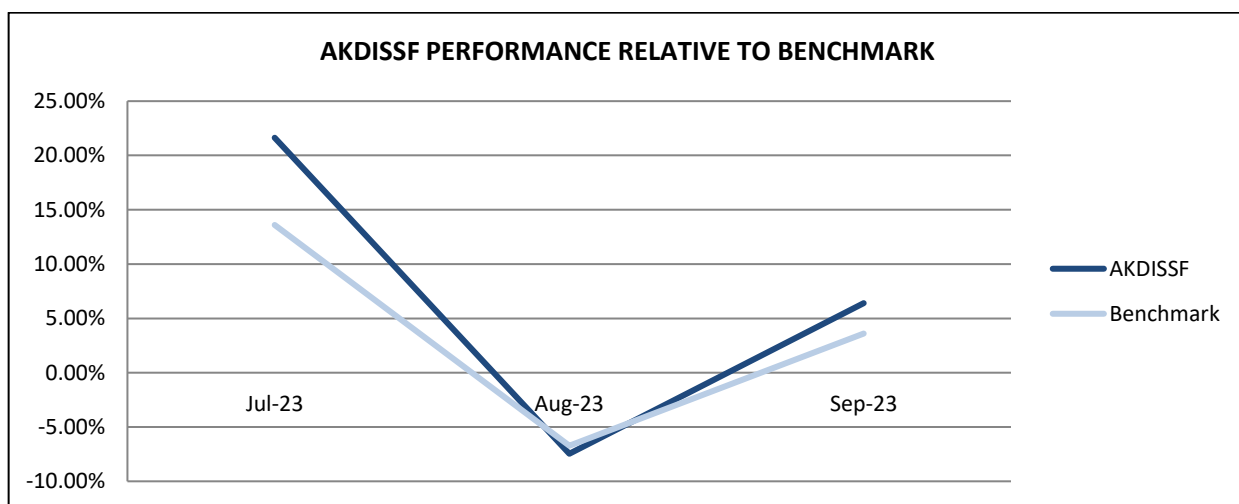
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 1QFY24, the return of AKD Islamic Stock Fund stood at 19.77% compared to the benchmark KMI-30 Index return of 9.78%.

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 return	Jul-23	Aug-23	Sep-23
AKDISSF	21.63%	-7.46%	6.41%
Benchmark	13.60%	-6.72%	3.60%

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. AKDISSF is fully complied with the relevant policies and procedures as per Fund's regulatory requirements.

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-23	30-Jun-23
Equities	89.88%	89.61%
Cash	1.19%	0.86%
Other Assets including Receivables	8.92%	9.53%

viii) **Analysis of the Collective Investment Scheme's performance:**

1QFY24 Return	19.77%
Benchmark Return	9.78%

ix) **Changes in the total NAV and NAV per unit since the last reviewed period:**

Net Asset Value			NAV Per Unit	
30-Sep-23	30-Jun-23	Change in Net Assets	30-Sep-23	30-Jun-23
(Rupees In "000")			Rs.	Rs.
124,882	104,863	19.09%	39.7910	33.2222

x) **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

The year FY24 brought fresh tides of hope for Pakistan as the economy stepped on the path to recovery. Pakistan saw a major decline in imports as high inflation coupled with record interest rates led to demand compression coupled with progressive efforts like restoring the balance to the exchange rate via stopping illegal channels. On the monetary front, SBP kept the policy rate status quo reaffirming market consensus that the monetary tightening cycle had perhaps come to an end, while relaying optimism of monetary easing during 2HFY24 on the back of high base effect and average inflation peaking at 29% levels. Pakistan is also likely to receive the remaining two tranches in line with the IMF Stand-by Agreement following key measures undertaken as required under the said Program. In addition, Reportedly, Pakistan is also scheduled to hold National Elections in January 2024 which will fill

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The Government's resilient efforts to attract investments from Non-Resident Pakistanis continued to yield results, with an impressive inflow of USD 6.76 billion through Roshan Digital Accounts (RDA) with more than 610,000 accounts till September 2023.

Moreover, the FBR collected revenues worth PKR 2.04 trillion during 1QFY24 against the target of 1.98 trillion during same period last year exceeding the target by PKR 63 billion. Moreover, FBR also achieved the target for the month of September 2023 by collecting PKR 834 billion (*PKR 688 billion SPLY*) against a target of PKR 794 billion.

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The KSE-100 index continues to trade at exceedingly attractive multiples with PE and PB of 4.21x and 0.67x with a healthy dividend yield of 10.54%. Pakistan is witnessing perhaps one of the highest interest rate environments since independence with yields on government securities crossing 22%. Our pro-equity stance stems from the fact that the government in lieu with the newly appointed COAS have dedicated their tireless efforts towards combating corruption, hoarding of gold/dollars, banning of items under Afghan Transit Trade and have remarkably managed to control exchange devaluation and default risk till now. In the future, we may see inflation tipping off due to high base effect in 2HFY24 and expect monetary easing eventually. Looking ahead the caretaker's performance in stabilizing the currency and

economy broadly while staying in line with the IMF Program is indeed encouraging and positioned the market for a likely re-rating.

FUTURE OUTLOOK

As the Country paves its way through FY24, the caretaker government has introduced essential reforms that will help the economy get back on track to stability. Some of these steps include increase of gas tariffs to address the issue of burgeoning gas sector circular debt, privatize loss making SOEs such as PSM and PIA, and improve the governance in the power sector especially the DISCOs. Moreover, the Caretaker setup has also been making continuous efforts to bring Foreign Investments in different sectors of the economy under the forum of Special Investment Facilitation Centre (SIFC). We believe that all these structural changes and reforms are necessary to turn around the current economic state and back to a path of sustainable growth. While market consensus suggests foreseeably that the Central Bank has reached its monetary tightening cycle for now, both the fiscal and external accounts are likely to remain very challenging for the Government in the coming year. On the other hand, notably inflation is expected to come off sharply starting from 2HFY24 as the high base affect plays out, perhaps providing much needed respite in the form of a reduction in interest rates as debt servicing remains challenging .

We believe that the support from IMF under the new agreement has largely subsided the default risk that the country was adamantly facing and has also ensured inflows in the form of grants and aids from other bilateral and multilateral partners.

Pakistan's first IMF review under the new Standby Arrangement reached with the Fund in June 2023 scheduled in early November is likely to be one of the key drivers of the market direction ahead. Notably, the Government has carefully chalked out an economic revival plan and is envisaging massive fiscal consolidation to bring down its expenditures to record a primary balance surplus for the fiscal year 2024 for which the Government is contemplating a cut in the Public Sector Development Programme (*PSDP*) or imposing additional taxes. On the political front, developments regarding the holding of general elections in January 2024 will also be particularly eyed by market participants.

Lastly, we believe that the market continues to trade at attractive multiples with a PE of 4.41x while offering a healthy dividend yield of 11.28% as at September 28, 2023.

xi) 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.

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

There were no unit splits during the period.

xiii) Break down of unit holding size:

Range (Units)	No. of Investors
0.0001 - 9,999	309
10,000 - 49,999	28
50,000 - 99,999	7
100,000 - 499,999	5
500,000 and above	1
Total	350

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

Investments are subject to credit and market risk.

xv) 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, 2023

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
	Note	Rupees in '000	
Assets			
Bank balances	5	1,511	989
Investments	6	113,660	102,820
Profit receivable on bank deposits	7	81	9
Deposits, prepayments and other receivables	8	2,821	2,747
Receivable against conversion of units		8,379	141
Receivable against sale of securities		-	8,035
Total Assets		126,452	114,741
Liabilities			
Payable to AKD Investment Management Limited - Management Company	10	420	424
Payable to Digital Custodian Company Limited - Trustee	11	18	14
Payable to Securities and Exchange Commission of Pakistan	12	9	38
Payable against Redemption / Conversion of units		59	1
Payable against purchase of investment		-	8,477
Accrued expenses and other liabilities	13	1,064	923
Total Liabilities		1,570	9,877
Net Assets		124,882	104,864
Unit Holders' Fund (as per statement attached)		124,882	104,864
Contingencies and Commitments	14	Number of units	
Number of units in issue		3,138,444	3,156,421
		Rupees	
Net assets value per unit		39.7911	33.2222

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, 2023

	Note	Quarter ended September 30	
		2023	2022
(Rupees in '000)			
Income			
Capital gain / (loss) on sale of investments		4,110	(345)
Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'financial assets at fair value through profit and loss'	6.2	13,211	(10,028)
Dividend income		4,457	2,243
Profit on bank deposits		311	138
Total gain / (loss)		22,089	(7,992)
Expenses			
Remuneration of the Management Company		640	1,213
Sales tax on the remuneration of the Management Company		83	158
Remuneration of the Trustee		38	73
Sales tax on the Trustee remuneration		5	9
Annual fee to the Securities and Exchange Commission of Pakistan		30	12
Expenses allocated by the Management Company		192	303
Securities transaction costs		82	237
Auditors' remuneration		63	63
Settlement and bank charges		2	10
Amortisation of preliminary expenses and floatation costs		-	51
Fee and subscription		182	204
Legal and professional charges		60	108
Charity		18	99
Total expenses		1,396	2,540
Net Income / (loss) for the period before taxation		20,693	(10,532)
Taxation	16	-	-
Net Income / (loss) for the period after taxation		20,693	(10,532)
Allocation of net income for the period			
Net income for the period after taxation		-	-
Income already paid on units redeemed		-	-
		-	-
Accounting income available for distribution			
Relating to capital gain		17,321	-
Excluding capital gains		3,372	-
		20,693	-

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 Comprehensive Income (Un-audited)
For the first quarter ended September 30, 2023

	Quarter ended September 30	
	2023	2022
	(Rupees in '000)	
Net Gain / (loss) for the period after taxation	20,693	(10,532)
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	<u>20,693</u>	<u>(10,532)</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, 2023

	Quarter ended September 30	
	2023	2022
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net gain / (loss) for the period before taxation	20,693	(10,532)
Adjustments		
Amortisation of preliminary expenses and floatation costs	-	51
Capital loss / (gain) on sale of investments	(4,110)	345
Net unrealised (appreciation) / diminution on remeasurement of investments classified as 'financial assets at fair value through profit and loss'	(13,211)	10,028
	<u>3,372</u>	<u>(108)</u>
(Increase) / decrease in assets		
Investments	6,481	16,678
Dividend and Profit receivable on bank deposits	(72)	(1,301)
Deposits, prepayments and other receivables	(74)	65
Receivable against conversion of units	(8,238)	
Receivable against sale of securities	8,035	1,058
	<u>6,132</u>	<u>16,500</u>
Increase / (decrease) in liabilities		
Payable to AKD Investment Management Limited - Management Company	(4)	(224)
Payable to Digital Custodian Company Limited - Trustee	4	(1)
Payable against Redemption / Conversion of units	58	-
Payable to Securities and Exchange Commission of Pakistan	(29)	(53)
Payable against purchase of investment	(8,477)	(53)
Accrued expenses and other liabilities	141	862
	<u>(8,307)</u>	<u>531</u>
Net cash generated from / (used in) operating activities	<u>1,197</u>	<u>16,923</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units	90,290	73,110
Payment against redemption of units	(90,965)	(88,899)
Net cash generated from financing activities	<u>(675)</u>	<u>(15,789)</u>
Net increase / (decrease) in cash and cash equivalents	<u>522</u>	<u>1,134</u>
Cash and cash equivalents at beginning of the period	989	994
Cash and cash equivalents at end of the period	<u>5</u> <u>1,511</u>	<u>2,128</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, 2023

	2023			2022		
	Capital value	Undistributed income	Net assets	Capital value	Undistributed income	Net assets
	----- (Rupees in '000) -----					
Net assets at beginning of the period	251,306	(146,442)	104,864	360,948	(107,620)	253,328
Issuance of 2,281,873 units (2022: 1,840,371)						
- Capital value (at net asset value per unit at the beginning of the period)	75,809	-	75,809	74,486	-	74,486
- Element of income	14,481	-	14,481	(1,376)	-	(1,376)
Total proceeds on issuance of units	90,290	-	90,290	73,110	-	73,110
Redemption of 2,299,851 units (2022: 2,264,619)						
- Capital value (at net asset value per unit at the beginning of the period)	76,406	-	76,406	91,656	-	91,656
- Element of income	14,559	-	14,559	(2,757)	-	(2,757)
Total payments on redemption of units	90,965	-	90,965	88,899	-	88,899
Total comprehensive income / (loss) for the period	-	20,693	20,693	-	(10,532)	(10,532)
Distribution during the period	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	20,693	20,693	-	(10,532)	(10,532)
Net assets at end of the period	250,631	(125,749)	124,882	345,159	(118,152)	227,007
Undistributed loss brought forward						
- Realised		(115,622)			(20,943)	
- Unrealised		<u>(30,820)</u>			<u>(86,677)</u>	
		(146,442)			(107,620)	
Accounting income available for distribution						
- Relating to capital gains		17,321			-	
- Excluding capital gains		3,372			-	
		20,693			-	
Net loss for the period after taxation		-			(10,532)	
Distribution during the period		-			-	
Undistributed loss carried forward		<u>(125,749)</u>			<u>(118,152)</u>	
Undistributed gain / (loss) carried forward						
- Realised loss		(138,960)			(108,124)	
- Unrealised gain / (loss)		13,211			(10,028)	
		<u>(125,749)</u>			<u>(118,152)</u>	
Net assets value per unit at beginning of the period			(Rupees) 33.2222			(Rupees) 40.4732
Net assets value per unit at end of the period			39.7911			38.9050

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, 2023

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 Digital Custodian Company Limited (DCCL) 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 June 27, 2023. The Fund has been given performance ranking of '1-Star' (Short Term) and '4-Star' (Long Term) by PACRA on August 15, 2023.

Title to the assets of the Fund are held in the name of Digital Custodian Company Limited as Trustee of the Fund.

The Fund is registered on August 23, 2021 with Assistant Director of Industries and Commerce (Trust Wing) Government of Sindh under Section 12 of the Sindh Trusts Act, 2020.

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 2023.

2.3 This condensed interim financial information is being submitted to the unitholders as required under Regulation 38 2(f)V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and are unaudited.

6.1 Listed equity securities

Name of the investee company	Face value per share (Rupees)	As at 01 July 2023	Purchased during the year	Bonus / right share	Sold/ Disposed	As at 30 September 2023	Balance as at 30 September 2023			Percentage in relation to		
							Carrying cost	Market value	Appreciation / (diminution)	Market value as percentage of total investments	Market value as percentage of net assets	Paid up value of shares as a percentage of total paid up capital of the investee company
							----- (Rupees in '000) -----			----- (%) -----		
							(Number of shares)					
Fully paid ordinary shares (unless otherwise stated)												
Automobile Assembler												
Gandhara Automobiles Limited	10	999	-	-	-	999	36	38	2	0.03	0.03	0.00
Millat Tractors Limited	10	34	-	-	-	34	13	14	1	0.01	0.01	0.00
							50	52	2			
							-	-	-			
Automobile Parts & Accessories												
Thal Limited	5	54,000	2,900	-	-	56,900	9,356	12,864	3,508	11.32	10.30	0.07
Cable & Electrical Goods												
Pakistan Cables Limited	10	39,105	-	-	-	39,105	3,243	3,335	92	2.93	2.67	0.08
Fertilizers												
Fauji Fertilizer Bin Qasim Limited	10	100,000	-	-	100,000	-	-	-	-	-	-	-
Food & Personal Care Products												
Al Shaheer Corporation Limited	10	2,342,625	-	-	642,625	1,700,000	12,291	17,510	5,219	15.41	14.02	0.45
Frieslandcampina Engro Pakistan Limited	10	24,001	-	-	-	24,001	1,417	1,335	(82)	1.17	1.07	0.00
							13,708	18,845	5,137			
Oil & Gas Exploration Companies												
Oil & Gas Development Company Limited	10	50,000	-	-	50,000	-	-	-	-	-	-	-
Pakistan Petroleum Limited	10	50,000	-	-	50,000	-	-	-	-	-	-	-
							-	-	-			
Oil & Gas Marketing Companies												
Pakistan State Oil Company Limited	10	50,000	90,000	-	25,000	115,000	13,510	14,115	605	12.42	11.30	0.02
Paper and Board												
Pakistan Paper Products Limited	10	666	-	-	-	666	25	34	9	0.03	0.03	0.01

6.1 Listed equity securities

Name of the investee company	Face value per share (Rupees)	As at 01 July 2023	Purchased during the year	Bonus / right share	Sold/ Disposed	As at 30 September 2023	Balance as at 30 September 2023			Percentage in relation to		
							Carrying cost	Market value	Appreciation / (diminution)	Market value as percentage of total investments	Market value as percentage of net assets	Paid up value of shares as a percentage of total paid up capital of the investee company
						(Number of shares)	----- (Rupees in '000) -----			----- (%) -----		
Fully paid ordinary shares (unless otherwise stated)												
Power Generation & Distribution												
The Hub Power Company Limited HUBC(6.1.1)	4	210,000	-	-	20,000	190,000	13,220	16,783	3,563	14.77	13.44	0.01
K-Electric Limited	10	3,500,000	-	-	-	3,500,000	6,020	6,860	840	6.04	5.49	0.01
Lalpir Power Limited	10	372,000	-	-	272,000	100,000	1,495	1,552	57	1.37	1.24	0.03
							20,735	25,195	4,460			
Refinery												
Attock Refinery Limited	10	-	-	-	-	-	-	-	-	-	-	-
Cnergyico PK Limited	10	3,700,000	-	-	-	3,700,000	10,508	11,248	740	9.90	9.01	0.07
							10,508	11,248	740			
Synthetics & Rayon												
Pakistan Synthetics Limited	10	57,250	9,500	-	1,500	65,250	1,869	1,583	(286)	1.39	1.27	0.05
Textile Spinning												
Tata Textile Mills Limited	10	294,500	-	-	45,000	249,500	16,582	16,218	(364)	14.27	12.99	0.45
Vanaspati & Allied Industries												
Punjab Oil Mills Limited	10	8,928	65,000	-	20,000	53,928	6,206	5,469	(737)	4.81	4.38	0.69
Miscellaneous												
Pakistan Aluminium Beverages Can Limited		-	100,000		5,010	94,990	4,657	4,702	45	4.14	3.77	0.03
Total as at 30 September 2023							100,449	113,660	13,211			
Total as at 30 June 2023							133,640	102,820	(30,820)			

6.1.1 This includes 210,000 (2023: 210,000) shares of HUBC having market value of Rs. 18.549 million (2022: Rs. 14.612 million), which have been pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin.

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 2023.

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 2023.

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 2023.

		(Un-Audited) 30-Sep-2023	(Audited) 30-Jun-2023
	Note	Rupees in '000	
5. BANK BALANCES			
In saving accounts	5.1	<u>1,511</u>	<u>989</u>
5.1	This represent bank accounts held with different banks. Mark-up rate on these accounts are from 20.00% (June 30, 2023: 19.75%) per annum.		
6. INVESTMENTS			
At fair value through profit and loss' - Listed equity securities	6.1	<u>113,660</u>	<u>102,820</u>

		(Un-Audited) 30-Sep-2023	(Audited) 30-Jun-2023
		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'	Note	
	Market value of investments	6.1	113,660
	Carrying amount of investments	6.1	102,820
			(133,640)
			<u>13,211</u>
7	Dividend and Profit receivable on bank deposits		
	Profit on bank balance		81
	Dividend Receivable		65
			-
			<u>81</u>
			<u>65</u>
8	DEPOSITS AND PREPAYMENTS		
	Security deposits with		
	- National Clearing Company of Pakistan Limited		2,500
	- Central Depository Company of Pakistan Limited		100
	Prepaid PSX Listing Fee		132
	Prepaid Shairah Advisor fee		89
			147
			<u>2,821</u>
			<u>2,747</u>
9	PRELIMINARY EXPENSES AND FLOATATION COST		
	Cost		1,024
	Accumulated amortisation		
	Opening balance	9.1	(1,024)
	Amortised during the period / year		(893)
	Closing balance		-
			(131)
			<u>(1,024)</u>
			<u>(1,024)</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	199
	Sales tax on management fees	10.2	203
	Expenses allocated by the management company	10.3	26
	Formation cost		60
	Sales Load		132
			131
			3
			<u>420</u>
			<u>424</u>
10.1	During the period the Management Company has charged 2% (June 30, 2023: 2%) per annum management fee.		
10.2	Sindh sales tax at the rate of 13% (June 30, 2023: 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 0.6% (June 30, 2023: 0.5% in 1st qtr & 0.6% in 2nd, 3rd and 4th quarter) per annum of the average annual net assets of the Fund being lower than actual expenses chargeable to Fund, from July 01, 2023 to September 30, 2023.		
11	PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE		
	Trustee fee	11.1	16
	Sindh Sales Tax	11.2	12
			2
			2

- 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 billion	0.12% of Net Assets
Exceeding Rs 1 billion and up to Rs.5 billion	Rs. 1.2 million plus 0.065% per annum of the amount exceeding Rs. 1 billion
Exceeding Rs. 5 billion and up to Rs. 10 billion	Rs. 3.8 million plus 0.06% per annum of the amount exceeding Rs. 5 billion

- 11.2 Sindh Sales Tax is charged at 13% (June 30, 2023: 13%) on Trustee fee.

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

Note

(Un-Audited) (Audited)
30-Sep-2023 30-Jun-2023
Rupees in '000

Annual fee payable to SECP

12.1

9

38

- 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 monthly fee to the Securities and Exchange Commission of Pakistan, an amount equal to 0.095% (June 30, 2023: 0.02%) of the average annual net assets of the scheme. The fee is payable monthly in arrears.

13 ACCRUED AND OTHER LIABILITIES

Brokerage payable	251	168
Auditors remuneration	226	163
Printing charges payable	-	150
Payable against conversion of units	-	-
Charity Payable	284	267
Credit Rating Fee Payable	132	132
Withholding Tax Payable	39	2
Others	132	41
	1,064	923

14 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at September 30, 2023 and June 30, 2023.

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2023 is 1.10% (September 30, 2022: 1.06%) which includes 0.11% (September 30, 2022: 0.09%) 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 Digital Custodian Company Limited, being the Trustee, AKD Group Holding Private Limited (Formerly: Aqeel Karim Dhedhi Securities 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,	
	2023	2022
	(Rupees in '000)	
17.1 Transactions during the period		
AKD Investment Management Limited - Management Company		
Remuneration to Management Company	640	1,213
Expenses allocated by the Management Company	192	303
Sindh Sales Tax on management remuneration	83	158
Sales Load	-	1
Issue of Nil units (2022: 32,169)	-	1,319
Digital Custodian Company Limited - Trustee		
Trustee remuneration	38	73
Sindh Sales Tax on trustee remuneration	5	9
AKD Opportunity Fund - Common Management Company		
Shares sold by AKD Islamic Stock Fund from AKD Opportunity Fund	1,380	-
Shares sold by AKD Islamic Stock Fund from AKD Opportunity Fund	2,101	-
Shares purchased by AKD Islamic Stock Fund from AKD Opportunity Fund	4,060	-
Shares purchased by AKD Islamic Stock Fund from AKD Opportunity Fund	3,540	-
Shares purchased by AKD Islamic Stock Fund from AKD Opportunity Fund	608	-
Golden Arrow Stock Fund- Common Management Company		
Shares Sold by AKD Islamic Stock Fund to Golden Arrow Stock Fund	2,880	8,496
Shares purchased by AKD Islamic Stock Fund from Golden Arrow Stock Fund	9,057	-
Imran Motiwala - CEO of the Management Company		
Issue of Nil units (2022: Nil)	-	-
Redemption of Nil units (2022: 2,237 Units)	-	92
Sehr Imran Motiwala - Spouse - CEO of the Management Company		
Redemption of Nil units (2022: 22,415)	-	906
Anum - Director & Chief Investment Officer		
Issue of Nil units (2022: 104,968)	-	4,183
Muhammad Farid Alam - Key Management Personnel of Associated Company		
Redemption of 30,000 units (2022:10,646)	1,191	-

	(Un-Audited) 30-Sep-2023	(Audited) 30-Jun-2023
	Rupees in '000	
17.2 Balances outstanding at the period / year end		
AKD Investment Management Limited - Management Company		
Remuneration payable	199	203
Sales Tax Provincial on Management Remuneration	26	26
Expenses allocated by the Management Company	60	61
Payable against formation cost	132	131
Sales Load payable	3	3
Digital Custodian Company Limited - Trustee		
Remuneration payable	16	12
Sales tax on trustee remuneration payable	2	2
AKD Securities Limited - Brokerage		
Brokerage Payable	35	35
Receivable / Payable against conversion of units		
Receivable against conversion of units - AKD Islamic Income Fund	7,548	
Receivable against conversion of units - AKD Aggressive Income Fund	831	141
AKD Group Holding Private Limited (Formerly: Aqeel Karim Dhedhi Securities (Private) Limited) - Staff Provident Fund		
Outstanding 200,000 units (June 2023: 200,000 units)	7,958	6,644
Muhammad Farid Alam - Key Management Personnel of Associated Company		
Outstanding Nil units (June 2023: 30,000 units)	-	997
Hina Aqeel - Close family member of the Chairman of the Group		
Outstanding 70,386 units (June 2023: 70,386 Units)	2,801	2,338
Toqir Hussain - Key Management Personnel of the Management Company		
Outstanding 600 units (June 2023: 600 units)	24	20
TPL Insurance Limited**- Connected person due to more than 10% holding		
Outstanding 839,883 units (June 2023: 839,883 units)	33,419	27,903

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, 2023						
	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	113,660	-	113,660	113,660	-	-	113,660

	As at June 30, 2023						
	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	102,820	-	102,820	102,820	-	-	102,820

19. DATE OF AUTHORISATION FOR ISSUE

October 31, 2023

These condensed interim financial statements were authorised for issue on _____ 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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