Quarterly Report
September 30, 2026
(Un-audited)

AKD
Index Tracker Fund

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 Mehmood

Chief Executive Officer
Mr. Imran Motiwala

Director(s)
Ms. Anum Dhedhi
Mr. Kanwar Adeel Zaman
Mr. Muhammad Amin Faheem
Mr. Brig. Aamer Sarwar, SI(M) Retd.
Mr. Abid Hussain

COMPANY SECRETARY OF THE MANAGEMENT COMPANY
Mr. Munir Hussain

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY
Mr. Obaid Qazi

HEAD OF INTERNAL AUDIT OF THE MANAGEMENT COMPANY
Mr. Khurram Ali

AUDIT AND RISK MANAGEMENT COMMITTEE
Mr. Abid Hussain (Chairman)
Mr. Kanwar Adeel Zaman (Member)
Mr. Muhammad Amin Faheem (Member)
Mr. Brig. Aamer Sarwar, SI(M) Retd. (Member)
Mr. Khurram Ali (Secretary)

HUMAN RESOURCE AND REMUNERATION (HR & R) AND NOMINATION COMMITTEE
Mr. Abid Hussain (Chairman)
Mr. Imran Motiwala (Member)
Ms. Anum Dhedhi (Member)
Mr. Munir Hussain (Secretary)

RATING
AKD Investment Management Limited AM2 (AM Two) issued by PACRA

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.

AKD Investment Management Ltd.

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 Islamic Stock Fund (AKDISSF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF), AKD Islamic Cash Fund (AKDICF) (Formerly: AKD Islamic Daily Dividend Fund), and AKD Alpha Income Fund (AKDALIF) is pleased to present its first quarter report along with the funds' unaudited financial statements for the quarter ended September 30, 2026.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)
For the 1QFY27, the return of AKD Opportunity Fund stood at -1.24% compared to the benchmark KSE–100 Index return of -5.73%.

Golden Arrow Stock Fund (GASF)
For the 1QFY27, the return of Golden Arrow Stock Fund stood at -5.40% compared to the benchmark KSE–100 Index return of -5.73%.

AKD Islamic Stock Fund (AKDISSF)
For the 1QFY27, the return of AKD Islamic Stock Fund stood at -7.96% compared to the benchmark KMI–30 Index return of -5.33%.

AKD Index Tracker Fund (AKDITF)
For the 1QFY27, the return of AKD Index Tracker Fund stood at -5.82% compared to the benchmark KSE–100 Index return of -5.73%.

AKD Cash Fund (AKDCF)
For the 1QFY27, the annualized return of AKD Cash Fund stood at 10.96% compared to the benchmark return of 11.28%.

AKD Islamic Income Fund (AKDISIF)
For the 1QFY27, the annualized return of AKD Islamic Income Fund stood at 7.85% compared to the benchmark return of 9.46%.

AKD Aggressive Income Fund (AKDAIF)
For the 1QFY27, the annualized return of AKD Aggressive Income Fund stood at 11.05% compared to the benchmark return of 11.83%.

AKD Islamic Cash Fund (AKDICF) - (Formerly: AKD Islamic Daily Dividend Fund)
For the 1QFY26, the annualized return of AKD Islamic Cash Fund (Formerly: AKD Islamic Daily Dividend Fund) stood at 10.94% compared to the benchmark return of 10.01%.

AKD Alpha Income Fund (AKDALIF)
For the 1QFY27, the annualized return of AKD Alpha Income Fund stood at 10.59% compared to the benchmark return of 11.83%.

MACROECONOMIC REVIEW

Pakistan's macroeconomic environment became more challenging during 1QFY27 as renewed inflationary pressures and escalating geopolitical tensions tested the gains achieved during the preceding stabilization phase. While stronger foreign exchange reserves, continued engagement with the International Monetary Fund (IMF) and improved access to external financing provided important support, the prolonged US–Iran conflict deepened uncertainty surrounding global energy prices, shipping costs and external balances. On September 10, 2026, Brent and WTI both traded above USD 100 per barrel, amid escalating attacks on shipping and concerns over supply disruptions. These developments increased the risk of imported inflation and complicated the policy trade-off between containing price pressures and supporting economic activity. Consequently, the quarter reflected continued stabilization under less favorable conditions, with the outlook increasingly dependent on inflation dynamics, energy prices and external financing.

At its meeting held on September 14, 2026, the Monetary Policy Committee (MPC) of the State Bank of Pakistan (SBP) maintained the policy rate at 11.50%, maintaining its assessment that the prevailing stance remains appropriate to anchor inflation within the medium-term target range of 5–7%. The Committee noted that domestic economic activity remained broadly aligned with earlier expectations, while the inflation outlook was subject to renewed upside risks stemming from heightened geopolitical tensions, elevated global commodity prices and rising inflation expectations. On the growth front, the SBP retained its FY27 GDP growth projection at 3.5–4.5%, although heightened external vulnerabilities, energy price volatility and persistent domestic inflationary pressures remain key risks to the economic outlook. A further escalation in imported energy costs could amplify inflationary pressures, potentially necessitating a prolonged restrictive monetary policy stance or additional tightening

Inflation remained a key macroeconomic concern during 1QFY27, with average Consumer Price Index (CPI) inflation reaching 10.20%, compared with 4.30% in 1QFY26. Headline inflation accelerated to 11.15% YoY in August 2026 from 9.20% in July before moderating to 10.26% in September. Core inflation (urban non-food, non-energy) eased to 8.6% YoY in September from 8.8% in August, indicating some moderation in underlying price momentum. Even so, higher transportation, energy and other input costs continue to erode household purchasing power and raise business operating expenses. Second-round effects remain the principal risk. A durable decline in both headline and core inflation is required to ease price pressures and give monetary policy greater flexibility without compromising price stability.

The external account presented a mixed picture during 1QFY27, as export growth and strong remittances provided support, but relatively expensive import growth widened external imbalances. Goods exports increased 7.65% YoY to USD 8.45bn in July–September FY27, while goods imports rose 14.31% to USD 17.78bn, widening the merchandise trade deficit to USD 9.33bn. Workers' remittances grew approximately 14.04% YoY to USD 10.87bn, an important source of foreign exchange inflows providing much needed support. However, these were not enough to prevent the current account deficit from widening to USD 874mn, from USD 755mn in 1QFY26 albeit still contained. The SBP expects the current account deficit to remain within 0–1% of GDP in FY27. Elevated oil prices could further increase the import bill and weigh on the external balance, underscoring the need to strengthen export competitiveness, maintain remittance inflows and manage import growth.

External buffers remained an important source of resilience. SBP foreign exchange reserves stood at approximately USD 21.51bn as of September 2026, while total liquid foreign exchange reserves reached

USD 26.34bn. The USD 3bn Eurobonds issuance and Moody's upgrade of the sovereign rating to B3 with a stable outlook further supported external financing flexibility and reflected an improved credit profile. Maintaining reserve adequacy will require timely external inflows, prudent debt management, continued remittance growth and stronger export competitiveness. A prolonged rise in energy import costs or a deterioration in global risk sentiment could imminently test these buffers.

Fiscal consolidation remains central to the stabilization framework, although revenue mobilization and expenditure pressures continue. The fiscal deficit widened to PKR 596.6bn, or 0.4% of GDP, in July 2026, from PKR 261.5bn a year earlier, largely reflecting higher federal interest payments of PKR 792.9bn against PKR 490.4bn in the previous year. The government nonetheless maintained a primary surplus of PKR 196.3bn (0.1% of GDP) against a surplus of PKR 228.9bn a year earlier. Provisional FBR collection reached PKR 3.08tn in 1QFY27, impressively exceeding the quarterly target by approximately PKR 30bn. Achieving the FY27 tax target of PKR 15.26tn will however require a broader tax base and improved compliance. The FY26 fiscal outturn also benefited from an SBP profit transfer of PKR 1.9tn against the budgeted PKR 1.4tn, highlighting the need to strengthen recurring revenues and reduce reliance on exceptional receipts. High interest costs and energy prices could further constrain fiscal flexibility, particularly if additional measures are needed to cushion consumers. This reinforces the importance of expenditure discipline and continued IMF-supported reforms.

Overall, 1QFY27 demonstrated real progress in strengthening Pakistan's macroeconomic resilience, alongside continued exposure to external shocks and domestic uncertainty. The prolonged US–Iran conflict and threats to regional energy infrastructure raise risks to oil prices, shipping costs and supply chains, with implications for inflation, the import bill, corporate profitability and the external balance. Domestic political uncertainty adds a further risk to policy continuity and the implementation of fiscal and structural reforms. Stronger reserves, robust remittance inflows and improved external financing are important buffers, but double-digit inflation and a wider trade deficit continue to limit policy flexibility. Preserving the gains of the stabilization phase will require disciplined monetary and fiscal management, consistent reform execution, stronger export competitiveness and effective management of imported inflation.

EQUITY MARKET REVIEW

Pakistan's equity market came under pressure in 1QFY27 as escalating geopolitical tensions and domestic political uncertainty weakened investor sentiment. The KSE-100 Index declined 5.73% to close at 169,969 points, from 180,302 points at the end of FY26. The decline reflected concerns over the US–Iran conflict and higher oil prices, and their implications for the external account, inflation outlook and interest rates. These risks increasingly outweighed the support from macroeconomic stabilization and corporate earnings, prompting investors to reassess the sustainability of the previous year's rally.

Geopolitical tensions were the main source of volatility throughout the quarter. Renewed US–Iran hostilities, attacks involving Yemen's Houthis and Saudi Arabia, and uncertainty over shipping through the Strait of Hormuz raised concerns over regional energy supplies. Brent crude traded above USD 110/bbl in September 2026, raising the prospect of a higher energy import bill and fresh pressure on domestic prices. The KSE-100 fell 2.75% in the week ended September 11, 2026 amid worries over regional stability and oil prices. A prolonged conflict would also add to uncertainty over Pakistan's external financing needs and the durability of its macroeconomic recovery.

Domestic politics compounded the external pressures. Opposition-led protests, tighter security measures and road closures linked to PTI's planned demonstrations in Islamabad in September reinforced concerns over political stability, policy continuity and potential disruption to commercial activity. Against an already challenging external backdrop, these developments clouded the investment outlook and deepened investor caution.

The economic implications of these risks became more pronounced as inflation accelerated to 11.15% YoY in August 2026 from 9.20% YoY in July. The SBP held its policy rate at 11.50% in its September 14, 2026 meeting, amid geopolitical uncertainty, rising global commodity prices and ongoing supply-chain disruptions. The combination of higher inflation and an unchanged policy rate complicated expectations of monetary easing, while higher energy costs threaten corporate margins and the external account. Uncertainty surrounding the IMF review further underscored the importance of preserving macroeconomic stability.

Sectoral performance diverged considerably. Refineries led, with sector market capitalization up 62.91%. This followed the signing of upgrade agreements by refineries on September 24, 2026 under the Brownfield Petroleum Refining Policy 2026, which involves approximately USD 5bn of planned investment over five years. REITs (+11.85%), Insurance (+5.03%), Synthetic and rayon (+7.27%) and Textile Spinning (+5.97%) also advanced. Weakness was broad-based across several major sectors, including Cement (-10.86%), Commercial Banks (-3.78%), Oil and Gas Exploration (-4.84%), Pharmaceuticals (-20.37%) and Power Generation and Distribution (-18.08%), highlighting the breadth of weakness across several major sectors.

Market sentiment will remain sensitive to developments in the Middle East, domestic political stability and progress under the IMF-supported program. A durable easing of geopolitical tensions could moderate oil prices and reduce pressure on inflation and the external account. Further escalation could prompt additional monetary tightening and weigh on corporate profitability. Greater political predictability and policy continuity would also help restore investor confidence. We maintain a cautiously constructive medium-term view, but a durable recovery will depend on external stability, improved earnings visibility and disciplined valuations rather than multiple expansion alone.

FIXED INCOME REVIEW

The fixed income market entered 1QFY27 with a more cautious rate outlook as the inflation rebound and elevated geopolitical risk challenged expectations of monetary easing. The SBP held its policy rate at 11.50% in both July and September 2026, following the 100bps increase in April 2026. The rise in headline inflation to 11.15% YoY in August 2026 reinforced concerns that the policy rate could stay high for longer. Treasury bill yields remained close to, or above, the policy rate, with the 12-month cut-off yield reaching approximately 12.50% at the October 14, 2026 auction. The repricing marks a shift in market focus from the timing of rate cuts to the persistence of inflation and the likely duration of the restrictive stance.

At the October 7, 2026 auction, cut-off yields on fixed-rate Pakistan Investment Bonds (PIBs) stood at 12.7950% for the 2-year tenor, 12.7460% for the 3-year, 12.8998% for the 5-year and 12.8500% for the 10-year. Cut-off yields rose by approximately 26–41bps from the September 18, 2026 auction. The yield curve remains relatively flat across the 2 to 10-year range. Market performance depends increasingly on

the balance between carry income and the risk of further yield increases, rather than on broad-based capital gains. A durable rally in government securities will likely require clearer evidence of disinflation and greater confidence in the monetary policy trajectory. Fresh energy price shocks or persistent inflationary pressures could keep yields elevated and limit duration-led returns.

Primary market activity in 1QFY27 remained active, reflecting continued reliance on domestic debt markets for fiscal financing.

Market Treasury Bills (MTBs): The SBP conducted six (6) auctions, raising PKR 4.86tn against a target of PKR 5.05tn. Weighted average yields on 1, 3, 6 and 12-month MTBs were 11.39%, 11.47%, 11.61% and 11.82%, up 52bps, 66bps, 83bps and 96bps from 10.87%, 10.81%, 10.78% and 10.86% a year earlier.

Pakistan Investment Bonds (PIBs): To meet longer-term funding requirements, the SBP conducted three (3) fixed-rate auctions and raised PKR 1.66tn. Weighted average yields on 3, 5 and 10-year PIBs rose to 11.70%, 11.78% and 12.23%, up 57bps, 35bps and 7bps from 11.13%, 11.43% and 12.16% a year earlier.

GOP Ijara Sukuk: In the Shariah-compliant segment, ten (10) auctions were conducted through the Pakistan Stock Exchange, covering Variable Rental Rate (VRR), Fixed Rental Rate (FRR) and Fixed Rate Discounted (FRD) instruments. These raised PKR 1.41tn against a target of PKR 1.60tn.

Looking ahead, under the October–December 2026 auction calendars, the SBP plans to raise PKR 5.30tn through 1 to 12-month Market Treasury Bills (MTBs), against maturities of PKR 5.65tn, and PKR 1.05tn through 2 to 15-year fixed-rate Pakistan Investment Bonds (PIBs), against maturities of PKR 77bn. Additionally, the GOP Ijara Sukuk auction target for the period stands at PKR 2.08tn.

FUTURE OUTLOOK

Pakistan enters the remainder of FY27 with stronger external buffers and a more credible stabilization framework. Preserving these gains will depend on managing inflation, energy market volatility and domestic political uncertainty. Elevated global oil prices and a widening trade deficit pose risks to the external account, inflation and monetary policy flexibility. With the policy rate at 11.50%, the scope for easing will depend on how persistent inflation proves and how far external shocks feed through to domestic prices, while an increase in rates cannot be ruled out if inflationary pressures persist.

Geopolitical developments remain the key near-term risk, particularly the US–Iran conflict, the Israeli parliamentary elections on October 27, 2026 and the US midterm elections on November 3, 2026. These events could influence regional security dynamics and global energy markets. Further escalation could raise Pakistan's import bill, delay disinflation and keep market yields elevated. Over the longer term, Pakistan's deepening strategic engagement with Saudi Arabia and Türkiye, reinforced by the Makkah Joint Defence Agreement, could create opportunities in defense production, technology and regional cooperation. Turning these relationships into tangible economic benefits will depend on the realization of investment, trade and commercial commitments.

Ongoing political confrontation between the government and the opposition, particularly escalating tensions surrounding PTI, could complicate governance, disrupt policy implementation and undermine investor confidence. The risk of further protests could also distract from the economic reform agenda.

The IMF's October 7, 2026 staff-level agreement on the fourth Extended Fund Facility (EFF) review and third Resilience and Sustainability Facility (RSF) review is a positive development for external financing and policy continuity, although the anticipated USD 1.21bn in disbursements remains subject to Executive Board approval. Progress on privatization and structural reforms will be important to improve the efficiency of state owned enterprises, attract private capital and ease fiscal pressure. Energy sector reforms and measures to contain circular debt remain essential to address structural vulnerabilities and strengthen fiscal sustainability.

Our outlook for financial markets is cautiously constructive, with returns increasingly driven by fundamentals rather than valuation expansion. In equities, performance will hinge on earnings resilience, dividend sustainability and companies' ability to manage higher input costs amid uncertain demand. The KSE-100's reported P/E of 6.10x at the end of September 2026, equivalent to an earnings yield of approximately 16.40%, offers valuation support, although further gains will depend on earnings delivery and investor risk appetite. In fixed income, elevated yields offer carry opportunities, while meaningful capital gains will require durable disinflation and greater clarity on the monetary easing cycle. Preserving macroeconomic stability, maintaining reform momentum and reducing geopolitical and political uncertainty will be critical to supporting investor confidence. We continue to favor a selective investment approach, disciplined valuation assessment and prudent duration management across asset classes.

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Khalid Mahmood
Chairman

Karachi: October 29, 2026

FUND INFORMATION

AKD Index Tracker Fund

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

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

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

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

Bankers
Askari Bank Limited
Bank Al Falah Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
United Bank Limited

Distributor
ITMinds Limited

Auditors
M/s BDO Ebrahim & Co.
Chartered Accountants 2nd
Floor, Block- C, Lakson Square
Buiding No.1, Karachi-74200

Rating: Asset Management Company
PACRA: AM2

FUND MANAGER'S REPORT

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

Open - end Scheme investing in Equity Securities of KSE-100 Index.

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

The objective of the AKD Index Tracker Fund (AKDITF) is to track the return of the KSE-100 Index with up to 85% accuracy, providing investors with a high quality, in-depth diversification instrument.

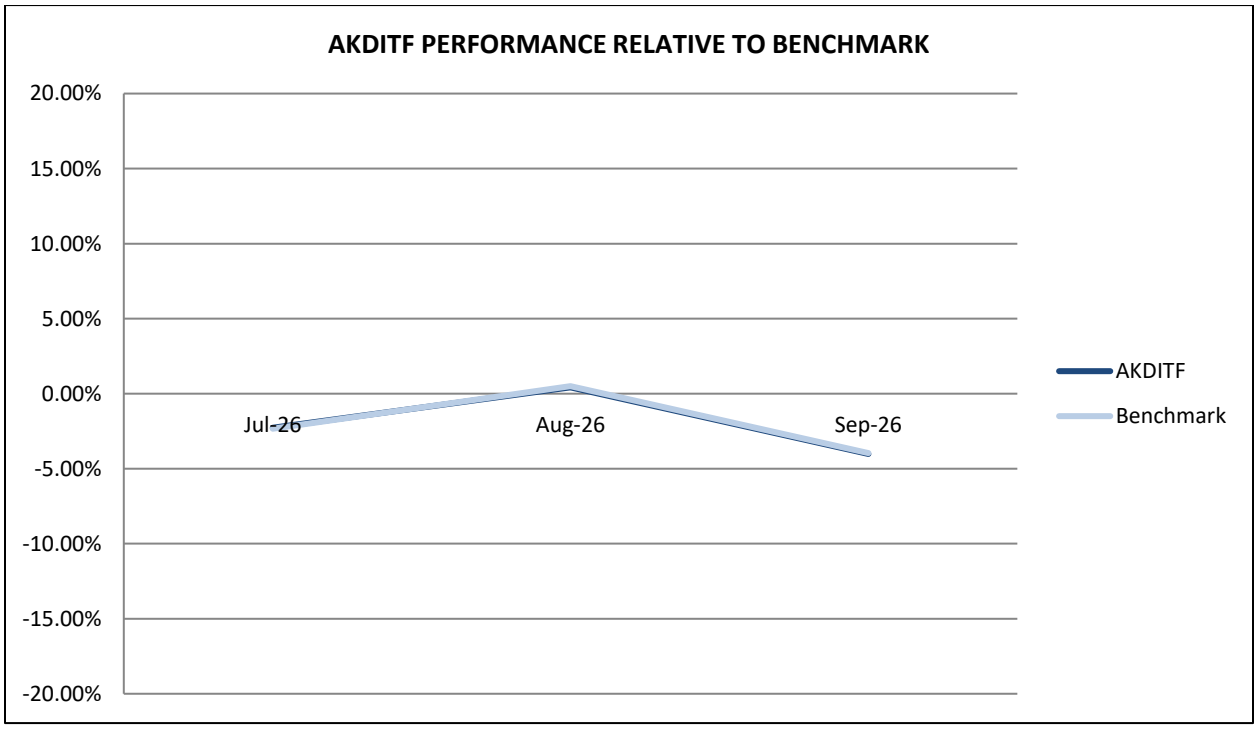
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 1QFY27, the return of AKD Index Tracker Fund stood at -5.82% compared to the benchmark KSE–100 Index return of -5.73%.

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

KSE-100 Index

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



Monthly Return	Jul-26	Aug-26	Sep-26
AKDITF	-2.28%	0.42%	-4.02%
Benchmark	-2.33%	0.50%	-3.96%

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

AKD Index Tracker Fund is a passively managed open – end equity portfolio; its performance is directly linked to the performance of KSE-100 Index with up to 85% accuracy. The Fund Manager attempts to trail the movement of the Index by using the weights of the respective stocks in the KSE-100 Index.

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

Asset Allocation (% of Total Asset)	30-Sep-26	30-Jun-26
Equities	98.17%	98.34%
Cash	1.18%	1.24%
Other Assets including Receivables	0.64%	0.43%

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

1QFY27 Return	-5.82%
Benchmark Return	-5.73%

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

Net Assets Value			NAV Per Unit	
30-Sep-26	30-Jun-26	Change in Net Assets	30-Sep-26	30-Jun-26
(Rupees In "000")			Rs.	Rs.
1,955,719	2,116,143	-7.58%	39.0800	41.4956

x) Statement on the characteristics and general composition of the index:

AKD Index Tracker Fund tracks the returns of the KSE-100 Index with up to 85% accuracy, providing investors with high quality, in depth diversification instrument.

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:

MACROECONOMIC REVIEW

Pakistan's macroeconomic environment became more challenging during 1QFY27 as renewed inflationary pressures and escalating geopolitical tensions tested the gains achieved during the preceding stabilization phase. While stronger foreign exchange reserves, continued engagement with the International Monetary Fund (IMF) and improved access to external financing provided important support, the prolonged US–Iran conflict deepened uncertainty surrounding global energy prices, shipping costs and external balances. On September 10, 2026, Brent and WTI both traded above USD 100 per barrel, amid escalating attacks on shipping and concerns over supply disruptions. These developments increased the risk of imported inflation and complicated the policy trade-off between containing price pressures and supporting economic activity. Consequently, the quarter reflected

continued stabilization under less favorable conditions, with the outlook increasingly dependent on inflation dynamics, energy prices and external financing.

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Inflation remained a key macroeconomic concern during 1QFY27, with average Consumer Price Index (CPI) inflation reaching 10.20%, compared with 4.30% in 1QFY26. Headline inflation accelerated to 11.15% YoY in August 2026 from 9.20% in July before moderating to 10.26% in September. Core inflation (urban non-food, non-energy) eased to 8.6% YoY in September from 8.8% in August, indicating some moderation in underlying price momentum. Even so, higher transportation, energy and other input costs continue to erode household purchasing power and raise business operating expenses. Second-round effects remain the principal risk. A durable decline in both headline and core inflation is required to ease price pressures and give monetary policy greater flexibility without compromising price stability.

The external account presented a mixed picture during 1QFY27, as export growth and strong remittances provided support, but relatively expensive import growth widened external imbalances. Goods exports increased 7.65% YoY to USD 8.45bn in July–September FY27, while goods imports rose 14.31% to USD 17.78bn, widening the merchandise trade deficit to USD 9.33bn. Workers' remittances grew approximately 14.04% YoY to USD 10.87bn, an important source of foreign exchange inflows providing much needed support. However, these were not enough to prevent the current account deficit from widening to USD 874mn, from USD 755mn in 1QFY26 albeit still contained. The SBP expects the current account deficit to remain within 0–1% of GDP in FY27. Elevated oil prices could further increase the import bill and weigh on the external balance, underscoring the need to strengthen export competitiveness, maintain remittance inflows and manage import growth.

External buffers remained an important source of resilience. SBP foreign exchange reserves stood at approximately USD 21.51bn as of September 2026, while total liquid foreign exchange reserves reached USD 26.34bn. The USD 3bn Eurobonds issuance and Moody's upgrade of the sovereign rating to B3 with a stable outlook further supported external financing flexibility and reflected an improved credit profile. Maintaining reserve adequacy will require timely external inflows, prudent debt management, continued remittance growth and stronger export competitiveness. A prolonged rise in energy import costs or a deterioration in global risk sentiment could imminently test these buffers.

Fiscal consolidation remains central to the stabilization framework, although revenue mobilization and expenditure pressures continue. The fiscal deficit widened to PKR 596.6bn, or 0.4% of GDP, in July 2026, from PKR 261.5bn a year earlier, largely reflecting higher federal interest payments of PKR 792.9bn against PKR 490.4bn in the previous year. The government nonetheless maintained a primary surplus of PKR 196.3bn (0.1% of GDP) against a surplus of PKR 228.9bn a year earlier. Provisional FBR collection

reached PKR 3.08tn in 1QFY27, impressively exceeding the quarterly target by approximately PKR 30bn. Achieving the FY27 tax target of PKR 15.26tn will however require a broader tax base and improved compliance. The FY26 fiscal outturn also benefited from an SBP profit transfer of PKR 1.9tn against the budgeted PKR 1.4tn, highlighting the need to strengthen recurring revenues and reduce reliance on exceptional receipts. High interest costs and energy prices could further constrain fiscal flexibility, particularly if additional measures are needed to cushion consumers. This reinforces the importance of expenditure discipline and continued IMF-supported reforms.

Overall, 1QFY27 demonstrated real progress in strengthening Pakistan's macroeconomic resilience, alongside continued exposure to external shocks and domestic uncertainty. The prolonged US–Iran conflict and threats to regional energy infrastructure raise risks to oil prices, shipping costs and supply chains, with implications for inflation, the import bill, corporate profitability and the external balance. Domestic political uncertainty adds a further risk to policy continuity and the implementation of fiscal and structural reforms. Stronger reserves, robust remittance inflows and improved external financing are important buffers, but double-digit inflation and a wider trade deficit continue to limit policy flexibility. Preserving the gains of the stabilization phase will require disciplined monetary and fiscal management, consistent reform execution, stronger export competitiveness and effective management of imported inflation.

EQUITY MARKET REVIEW

Pakistan's equity market came under pressure in 1QFY27 as escalating geopolitical tensions and domestic political uncertainty weakened investor sentiment. The KSE-100 Index declined 5.73% to close at 169,969 points, from 180,302 points at the end of FY26. The decline reflected concerns over the US–Iran conflict and higher oil prices, and their implications for the external account, inflation outlook and interest rates. These risks increasingly outweighed the support from macroeconomic stabilization and corporate earnings, prompting investors to reassess the sustainability of the previous year's rally.

Geopolitical tensions were the main source of volatility throughout the quarter. Renewed US–Iran hostilities, attacks involving Yemen's Houthis and Saudi Arabia, and uncertainty over shipping through the Strait of Hormuz raised concerns over regional energy supplies. Brent crude traded above USD 110/bbl in September 2026, raising the prospect of a higher energy import bill and fresh pressure on domestic prices. The KSE-100 fell 2.75% in the week ended September 11, 2026 amid worries over regional stability and oil prices. A prolonged conflict would also add to uncertainty over Pakistan's external financing needs and the durability of its macroeconomic recovery.

Domestic politics compounded the external pressures. Opposition-led protests, tighter security measures and road closures linked to PTI's planned demonstrations in Islamabad in September reinforced concerns over political stability, policy continuity and potential disruption to commercial activity. Against an already challenging external backdrop, these developments clouded the investment outlook and deepened investor caution.

The economic implications of these risks became more pronounced as inflation accelerated to 11.15% YoY in August 2026 from 9.20% YoY in July. The SBP held its policy rate at 11.50% in its September 14, 2026 meeting, amid geopolitical uncertainty, rising global commodity prices and ongoing supply-chain disruptions. The combination of higher inflation and an unchanged policy rate complicated expectations of monetary easing, while higher energy costs threaten corporate margins and the external account.

Uncertainty surrounding the IMF review further underscored the importance of preserving macroeconomic stability.

Sectoral performance diverged considerably. Refineries led, with sector market capitalization up 62.91%. This followed the signing of upgrade agreements by refineries on September 24, 2026 under the Brownfield Petroleum Refining Policy 2026, which involves approximately USD 5bn of planned investment over five years. REITs (+11.85%), Insurance (+5.03%), Synthetic and rayon (+7.27%) and Textile Spinning (+5.97%) also advanced. Weakness was broad-based across several major sectors, including Cement (-10.86%), Commercial Banks (-3.78%), Oil and Gas Exploration (-4.84%), Pharmaceuticals (-20.37%) and Power Generation and Distribution (-18.08%), highlighting the breadth of weakness across several major sectors.

Market sentiment will remain sensitive to developments in the Middle East, domestic political stability and progress under the IMF-supported program. A durable easing of geopolitical tensions could moderate oil prices and reduce pressure on inflation and the external account. Further escalation could prompt additional monetary tightening and weigh on corporate profitability. Greater political predictability and policy continuity would also help restore investor confidence. We maintain a cautiously constructive medium-term view, but a durable recovery will depend on external stability, improved earnings visibility and disciplined valuations rather than multiple expansion alone.

FUTURE OUTLOOK

Pakistan enters the remainder of FY27 with stronger external buffers and a more credible stabilization framework. Preserving these gains will depend on managing inflation, energy market volatility and domestic political uncertainty. Elevated global oil prices and a widening trade deficit pose risks to the external account, inflation and monetary policy flexibility. With the policy rate at 11.50%, the scope for easing will depend on how persistent inflation proves and how far external shocks feed through to domestic prices, while an increase in rates cannot be ruled out if inflationary pressures persist.

Geopolitical developments remain the key near-term risk, particularly the US–Iran conflict, the Israeli parliamentary elections on October 27, 2026 and the US midterm elections on November 3, 2026. These events could influence regional security dynamics and global energy markets. Further escalation could raise Pakistan’s import bill, delay disinflation and keep market yields elevated. Over the longer term, Pakistan’s deepening strategic engagement with Saudi Arabia and Türkiye, reinforced by the Makkah Joint Defence Agreement, could create opportunities in defense production, technology and regional cooperation. Turning these relationships into tangible economic benefits will depend on the realization of investment, trade and commercial commitments.

Ongoing political confrontation between the government and the opposition, particularly escalating tensions surrounding PTI, could complicate governance, disrupt policy implementation and undermine investor confidence. The risk of further protests could also distract from the economic reform agenda. The IMF’s October 7, 2026 staff-level agreement on the fourth Extended Fund Facility (EFF) review and third Resilience and Sustainability Facility (RSF) review is a positive development for external financing and policy continuity, although the anticipated USD 1.21bn in disbursements remains subject to Executive Board approval. Progress on privatization and structural reforms will be important to improve the efficiency of state owned enterprises, attract private capital and ease fiscal pressure. Energy sector reforms and measures to contain circular debt remain essential to address structural vulnerabilities and strengthen fiscal sustainability.

Our outlook for financial markets is cautiously constructive, with returns increasingly driven by fundamentals rather than valuation expansion. In equities, performance will hinge on earnings resilience, dividend sustainability and companies' ability to manage higher input costs amid uncertain demand. The KSE-100's reported P/E of 6.10x at the end of September 2026, equivalent to an earnings yield of approximately 16.40%, offers valuation support, although further gains will depend on earnings delivery and investor risk appetite. In fixed income, elevated yields offer carry opportunities, while meaningful capital gains will require durable disinflation and greater clarity on the monetary easing cycle. Preserving macroeconomic stability, maintaining reform momentum and reducing geopolitical and political uncertainty will be critical to supporting investor confidence. We continue to favor a selective investment approach, disciplined valuation assessment and prudent duration management across asset classes.

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 the Fund manager's report, not otherwise disclosed in the financial statements.

There were no significant changes in the state of affairs during the period under review.

xiii) Disclosure on unit split (if any), comprising:

There were no unit splits during the period.

xiv) Break down of unit holdings by size:

Range (Units)	No. of Investors
0.0001 to 9,999	834
10,000 to 49,999	82
50,000 - 99,999	16
100,000 - 499,999	14
500,000 and above	6
Total	**952**

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 brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

AKD INDEX TRACKER FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2026

	Note	September 30 2026 (un-audited)	June 30 2026 (Audited)
		-------- (Rupees in '000) --------	
ASSETS			
Bank balances	5	29,172	20,849
Investments	7	1,939,191	2,096,887
Dividend and profit receivable	8	4,221	1,340
Advances, deposits and other receivable	9	2,680	2,680
Receivable against sale of units		-	11,329
Total assets		1,975,264	2,133,085
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	10	1,380	2,827
Payable to Central Depository Company of Pakistan Limited - Trustee	11	282	283
Payable to Securities and Exchange Commission of Pakistan	12	156	159
Payable against redemption of units		4,625	10
Accrued expenses and other liabilities	13	6,279	6,595
Dividend payable		6,823	7,068
Total liabilities		19,545	16,943
NET ASSETS		1,955,719	2,116,142
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,955,719	2,116,142
CONTINGENCIES AND COMMITMENTS	14		
		------- (Number of units) -------	
NUMBER OF UNITS IN ISSUE	15	50,044,010	50,996,749
		---------- (Rupees) ----------	
NET ASSETS VALUE PER UNIT		39.0800	41.4956

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

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

AKD INDEX TRACKER FUND
CONDENSED INTERIM INCOME STATEMENT(UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Note	For the quarter ended September 30 **2026**	2025
		---------- (Rupees in '000) ----------	
INCOME			
Dividend income		24,112	19,307
Mark-up on bank deposits		714	724
Realised gain on sale of investments		(3,159)	
classified as 'financial assets at fair value through profit or loss'			396,982
Net unrealised gain / (loss) on re-measurement of Investment			
classified as 'financial assets at fair value through profit or loss'	7	(141,111)	715
Total (loss)/ Income		(119,444)	417,727
EXPENSES			
Remuneration of AKD Investment Management Company	10.1	**3,892**	2,937
Sindh sales tax on remuneration of Management Company	10.2	584	441
Remuneration of Central Depository Company of Pakistan Limited-Trustee	11.1	771	783
Sindh sales tax on remuneration of Trustee	11.2	116	117
Fee to the Securities and Exchange Commission of Pakistan	12	**493**	372
Auditor's remuneration		126	87
Transaction Charges		513	157
Legal and professional charges		76	54
Annual listing fee		8	8
Taxation Expense		-	170
Bank and settlement charges		9	-
Total expenses		6,588	5,126
Net (loss)/ income before taxation		(126,032)	412,601
Taxation	15	-	-
Net (loss)/ income for the quarter		(126,032)	412,601
Allocation of net income for the quarter			
Net income for the year after taxation		-	412,601
Income already paid on units redeemed		-	(3,798)
		-	408,803
Accounting income available for distribution			
Relating to capital gains		-	397,697
Excluding capital gains		-	11,106
		-	408,803

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

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

AKD INDEX TRACKER FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	For the quarter ended September 30	
	2026	2025
	---------- (Rupees in '000) ----------	
Net (loss) / income for the year	(126,032)	412,601
Other comprehensive income for the year	-	-
Total comprehensive (loss)/ income for the year	(126,032)	412,601

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

For AKD Investment Management Limited
(Management Company)

_____	_____	_____
Chief Executive Officer	**Chief Financial Officer**	**Director**

AKD INDEX TRACKER FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND(UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	For the quarter ended September 30, 2026			For the quarter ended September 30, 2025		
	Capital value	**Undistributed income**	**Total**	**Capital value**	**Undistributed income**	**Total**
	---------- (Rupees in '000) ----------			---------- (Rupees in '000) ----------		
Net assets at beginning of the year	945,745	1,170,396	2,116,141	587,692	711,194	1,301,927
Issuance of 4,001,557 units (2025:4,173,777 units)						
- Capital Value	166,047	-	166,047	128,231	-	128,231
- Element of income	(782)	-	(782)	20,617	-	20,617
Total proceeds on issuance of units	165,266	-	165,266	148,848	-	148,848
Redemption of 4,954,305 units (2025:1,797,908 units)						
- Capital Value	(205,582)	-	(205,582)	(55,237)	-	(55,237)
- Element of loss	5,925	-	5,925	(5,857)	(3,798)	(9,655)
Total payments on redemption of units	(199,657)	-	(199,656)	(61,094)	(3,798)	(64,892)
Total comprehensive income for the year	-	(126,032)	(126,032)	-	412,601	412,601
Refund of capital	-	-	-	-	-	-
Net income for the year less distribution	-	(126,032)	(126,032)	-	412,601	412,601
Net assets at end of the quarter	911,354	1,044,364	1,955,719	675,446	1,119,997	1,798,484
Undistributed income brought forward						
- Realised income		692,435			372,740	
- Unrealised Income		477,961			338,454	
		1,170,396			711,194	
Accounting income available for distribution						
Relating to capital gains		-			397,697	
Excluding capital gains		-			11,106	
		-			408,803	
Distribution during the year		-			-	
Total comprehensive income for the year		(126,032)				
Undistributed income carried forward		1,044,364			1,119,997	
Undistributed income carried forward						
- Realised income		1,185,476			1,119,997	
- Unrealised loss		(141,111)			-	
		1,044,364			1,119,997	
		Rupees			Rupees	
Net assets value per unit at beginning of the year		41.4956			30.7230	
Net assets value per unit at end of the quarter		39.0800			40.1877	

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

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

AKD INDEX TRACKER FUND
CONDENSED INTERIM CASH FLOW STATEMENT(UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Note	For the quarter ended September 30, 2026	2025
		---------- (Rupees in '000) ----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		(126,032)	412,601
Capital gain/(loss) on sale of investment		-	(715)
Net unrealised gain on re-measurement of Investment classified as 'financial assets at fair value through profit or loss'	7	141,111	(396,982)
		15,079	14,904
(Increase) / decrease in assets			
Investments		16,585	(79,354)
Dividend and profit receivable		(2,881)	(5,832)
Advances, deposits and other receivable		0	(683)
Receivable against sale of units		11,329	-
		25,033	(85,869)
Increase / (decrease) in liabilities			
Payable to AKD Investment Management Limited - Management Company		(1,447)	(118)
Payable to Central Despository Company of Pakistan Limited - Trustee		(1)	(64)
Payable to Securities and Exchange Commission of Pakistan		(4)	34
Payable against redemption of units		4,614	(925)
Accrued expenses and other liabilities		(316)	(537)
Dividend payable		(245)	-
		2,602	(1,610)
Net cash generated /(used in) operating activities		42,714	(72,575)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from issuance of units		165,266	148,848
Payment made against redemption of units		(199,656)	(64,892)
Distribution during the year		-	-
Net cash generated from financing activities		(34,390)	83,956
Net increase in cash and cash equivalents		8,323	11,381
Cash and cash equivalents at beginning of the year		20,849	25,477
Cash and cash equivalents at end of the year	5	29,172	36,858

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

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

AKD INDEX TRACKER FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AKD Index Tracker Fund ("The Fund") was established under a Trust Deed, dated January 03, 2005 which was amended by a supplemental trust deed dated May 02, 2007 executed between AKD Investment Management Limited (AKDIML) as Asset Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 02, 2007 and was approved by the Securities and Exchange Commission of Pakistan ("SECP") on April 12, 2007 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the "NBFC Rules") as an open-ended mutual fund. The Fund commenced its operations from October 11, 2005.

1.2 The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules and has obtained a requisite license from 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.

1.3 The Fund is categorised as an open-ended Equity market fund under the Equity Scheme as per circular 7 of 2009 by SECP, Listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrending them to the Fund.

1.4 The Fund is categorised as Index Tracker Scheme as per circular 7 of 2009 by SECP. As per the circular, the Fund shall strive to remain fully invested in accordance with the stated index (i.e. KSE-100 index), however, under no circumstances shall it be invested less than 85% of its net assets in securities covered in the index or its subsets during the year based on monthly average investment calculated on daily basis. The units invested amount shall be kept in cash and / or near cash instrument where near cash instrument include deposits with bank (excluding TDRs), and treasury bills not exceeding 90 days maturity.

1.5 The principal activity of the Fund is to make investments in listed securities and deposits with banks.

1.6 The Management Company has been assigned a quality rating of 'AM2' by the Pakistan Credit Rating Agency Limited (PACRA) dated May 7, 2026 (June 30, 2025: 'AM2' dated May 7, 2025) . Due to specialised nature of the Fund, performance rating has not been taken, as the comparable benchmark is not available.

1.7 Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

1.8 The Fund has 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

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirements of the Trust Deed.

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

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 2026.

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 Company'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 2026.

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 2026.

	Note	**September 30 2026 Un-Audited**	June 30 2026 Audited
		------- (Rupees in '000) -------	
5 BANK BALANCES			
Saving accounts	6.1	29,172	20,849

5.1 These carry mark-up rates ranging from 7.50% to 8.00% per annum (2026: 7.50% to 8.00%) per annum.

		Note	Un-Audited September 30 2026	Audited June 30 2026
			-------- (Rupees in '000) --------	
6.	**INVESTMENTS**			
	At fair value through profit or loss			
	Listed equity securities	6.1	**1,939,191**	2,096,887

6.1 Listed equity securities

Name of investee company	As at July 1, 2026	Purchases during the period	Bonus / right issued during the period	Sales during the period	As at September 30, 2026	Balance as at September 30, 2026			Market value as percentage of investments	Market value as percentage of net assets
						Carrying cost	Market value	Gain/ (Loss)		
	---------- (Number of shares / certificates) ----------					---------- (Rupees in '000) ----------				
Fully paid ordinary shares / certificates										
Automobile Assembler										
Atlas Honda Limited	4,700	350	-	-	5,050	8,629	7,929	(701)	0.41%	0.41%
Honda Atlas Cars (Pakistan) Limited	9,690	-	-	-	9,690	2,329	2,108	(221)	0.11%	0.11%
Indus Motor Company Limited	5,654	-	-	-	5,654	11,638	10,181	(1,457)	0.53%	0.52%
Millat Tractors Limited	74,120	4,000	-	6,400	71,720	21,860	21,362	(498)	1.10%	1.09%
Sazgar Engineering Works Limited	8,649	-	-	200	8,449	17,434	14,428	(3,006)	0.74%	0.74%
Ghandhara Automobiles Limited	8,300	800	-	-	9,100	5,109	4,968	(140)	0.26%	0.25%
Ghandhara Industries Limited	5,300	800	-	-	6,100	5,929	6,520	591	0.34%	0.33%
						72,929	**67,496**	**(5,433)**		
Automobile Parts & Accessories										
Thal Limited	13,387	-	-	-	13,387	8,638	6,967	(1,671)	0.36%	0.36%
						8,638	**6,967**	**(1,671)**		
Cable & Electrical Goods										
Pak Elektron Limited	208,513	-	-	-	208,513	9,477	7,429	(2,048)	0.38%	0.38%
						9,477	**7,429**	**(2,048)**		
Cement										
Bestway Cement Limited	24,520	-	-	-	24,520	12,014	10,962	(1,052)	0.57%	0.56%
Cherat Cement Company Limited	43,355	4,500	-	-	47,855	16,362	13,221	(3,140)	0.68%	0.68%
D.G. Khan Cement Company Limited	90,127	4,000	-	6,700	87,427	19,464	16,825	(2,639)	0.87%	0.86%
Fauji Cement Company Limited	355,000	18,000	-	27,500	345,500	19,831	18,239	(1,592)	0.94%	0.93%
Kohat Cement Company Limited	88,450	6,000	-	-	94,450	10,337	8,471	(1,866)	0.44%	0.43%
Lucky Cement Limited	181,245	10,000	-	12,400	178,845	83,760	74,255	(9,505)	3.83%	3.80%
Maple Leaf Cement Factory Limited	193,687	9,500	-	11,600	191,587	20,412	17,848	(2,564)	0.92%	0.91%
Power Cement Limited	195,000	-	-	11,700	183,300	4,221	4,126	(95)	0.21%	0.21%
Pioneer Cement Limited	14,719	-	-	1,000	13,719	3,888	3,337	(551)	0.17%	0.17%
						190,289	**167,284**	**(23,004)**		
Asset Allocation										
Javeden Corporation Limited	76,875	-	-	-	76,875	11,316	10,811	(505)	0.56%	0.55%
						11,316	**10,811**	**(505)**		
Chemicals										
Engro Polymer & Chemicals Limited	-	-	-	-	-	-	-	-	-	0.00%
Lucky Core Industries Limited	37,420	-	-	-	37,420	8,855	7,658	(1,197)	0.39%	0.39%
Lotte Chemical Pakistan Limited	155,369	-	-	-	155,369	4,361	4,111	(250)	0.21%	0.21%
						13,216	**11,769**	**(1,447)**		
Close - End Mutual Fund										
HBL Growth Fund - Class A	89,112	-	-	-	89,112	1,595	1,237	(358)	0.06%	0.06%
						1,595	**1,237**	**(358)**		
Commercial Banks										
Allied Bank Limited	45,534	-	-	-	45,534	8,091	7,725	(366)	0.40%	0.40%
Askari Bank Limited	179,184	8,500	-	11,700	175,984	19,346	18,728	(618)	0.97%	0.96%
Bank Alfalah Limited	578,058	44,000	-	42,800	579,258	32,873	32,942	70	1.70%	1.68%
Bank Al Habib Limited	345,687	17,000	-	21,187	341,500	57,960	52,109	(5,851)	2.69%	2.66%
Faysal Bank Limited	187,450	32,000	-	5,800	213,650	21,269	20,113	(1,156)	1.04%	1.03%
Habib Bank Limited	242,904	12,500	-	15,800	239,604	70,289	73,343	3,054	3.78%	3.75%
Habib Metropolitan Bank Limited	194,828	10,500	-	7,700	197,628	22,772	19,287	(3,485)	0.99%	0.99%
MCB Bank Limited	171,695	8,500	-	11,100	169,095	68,594	65,954	(2,640)	3.40%	3.37%
Meezan Bank Limited	185,603	11,500	-	13,000	184,103	95,639	102,161	6,522	5.27%	5.22%
National Bank of Pakistan	211,028	10,000	-	14,500	206,528	41,049	34,007	(7,042)	1.75%	1.74%
Standard Chartered Bank (Pakistan) LTD.	74,128	-	-	-	74,128	4,857	4,448	(409)	0.23%	0.23%
The Bank of Punjab	562,795	-	-	-	562,795	19,748	17,081	(2,668)	0.88%	0.87%
United Bank Limited	361,402	23,500	-	28,100	356,802	159,977	150,242	(9,734)	7.75%	7.68%
						622,465	**598,140**	**(24,325)**		
Engineering										
International Industries Limited	19,950	4,000	-	-	23,950	4,069	3,895	(174)	0.20%	0.20%
International Steels Limited	58,220	-	-	-	58,220	5,283	4,712	(571)	0.24%	0.24%
Mughal Iron And Steel Industries Ltd	-	-	-	-	-	-	-	-	-	0.00%
						9,352	**8,606**	**(746)**		
Fertilizer										
Engro Fertilizers Limited	248,755	12,000	-	15,000	245,755	48,717	47,807	(910)	2.47%	2.44%
Fatima Fertilizer Company Limited	130,288	6,500	-	10,100	126,688	20,883	18,671	(2,212)	0.96%	0.95%
Arif Habib Corporation Limited	342,000	-	-	85,000	257,000	4,109	4,156	46	0.21%	0.21%
Agritech Limited	-	-	-	-	-	-	-	-	-	0.00%
Fauji Fertilizer Company Limited	326,335	20,800	-	24,400	322,735	184,752	174,606	(10,146)	9.00%	8.93%

						258,462	**245,240**	**(13,223)**		

Name of investee company	As at July 1, 2026	Purchases during the period	Bonus / right issued during the period	Sales during the period	As at September 30, 2026	Balance as at September 30, 2026			Market value as percentage of investments	Market value as percentage of net assets
						Carrying cost	Market value	Gain/ (Loss)		
	---------- (Number of shares / certificates) ----------					---------- (Rupees in '000) ----------				
Food & Personal Care Products										
Frieslandcampina Engro Pakistan Limited	-	-	-	-	-	-	-			
Colgate-Palmolive (Pakistan) Limited	9,946	-	-	-	9,946	12,378	10,940	(1,438)	0.56%	0.56%
Murree Brewery Company Limited	4,432	-	-	-	4,432	4,075	4,132	57	0.21%	0.21%
Fauji Foods Limited	183,600	-	-	-	183,600	3,283	2,703	(580)	0.14%	0.14%
National Foods Limited	22,332	1,200	-	-	23,532	9,122	8,048	(1,074)	0.42%	0.41%
Unilever Pakistan Foods Limited	204	-	-	-	204	5,223	5,209	(14)	0.27%	0.27%
Rafhan Maize Products Company Limited.	510	40	-	204	346	3,292	3,046	(246)	0.16%	0.16%
Nestle Pakistan Limited	1,848	-	-	-	1,848	14,162	13,225	(937)	0.68%	0.68%
Unity Foods Limited	-	-	-	-	-	-	-	-	-	-
						51,536	**47,303**	**(4,234)**		
Glass & Ceramics										
Ghani Glass Limited	133,807	-	-	-	133,807	5,348	5,309	(39)	0.27%	0.27%
Tariq Glass Industries Limited	26,170	-	-	-	26,170	5,056	4,108	(947)	0.21%	0.21%
						10,404	**9,418**	**(986)**		
Insurance										
Adamjee Insurance Company Limited	107,950	7,500	-	27,713	87,737	7,024	8,332	1,308	0.43%	0.43%
EFU General Insurance Limited	-	-	-	-	-	-	-	-	-	0.00%
						7,024	**8,332**	**1,308**		
Inv. Banks/Inv. Cos./ Securities Cos.										
Engro Holdings Limited (Formerly Dawood Hercules Corp. Ltd.)	397,215	3,500	-	31,400	369,315	106,228	97,311	(8,917)	5.02%	4.98%
Pakistan Stock Exchange Limited	178,300	21,000	-	3,500	195,800	10,514	9,101	(1,413)	0.47%	0.47%
						116,742	**106,412**	**(10,331)**		
Leather & Tanneries										
Service Industries Limited	9,614	88,866	-	4,240	94,240	21,897	16,905	(4,992)	0.87%	0.86%
						21,897	**16,905**	**(4,992)**		
Miscellaneous										
Pakistan Aluminium Beverage Cans Limited	30,000	-	-	9,000	21,000	2,338	1,993	(344)	0.10%	0.10%
Pakistan Services Limited	12,403	-	-	-	12,403	11,706	12,646	940	0.65%	0.65%
Shifa International Hospitals Limited	10,500	800	-	-	11,300	5,724	4,987	(737)	0.26%	0.26%
						19,768	**19,627**	**(141)**		
Modarabas										
First Habib Modaraba	31,550	-	-	-	31,550	1,064	944	(120)	0.05%	0.05%
						1,064	**944**	**(120)**		
Oil & Gas Exploration Companies										
Mari Energies Limited	99,148	5,200	-	6,515	97,833	65,929	62,000	(3,929)	3.20%	3.17%
Oil & Gas Development Company Limited	267,265	13,500	-	17,900	262,865	87,912	83,257	(4,655)	4.29%	4.26%
Pakistan Oilfields Limited	53,444	3,000	-	3,550	52,894	36,495	39,935	3,439	2.06%	2.04%
Pakistan Petroleum Limited	277,224	14,000	-	18,100	273,124	66,279	61,975	(4,304)	3.20%	3.17%
						256,615	**247,166**	**(9,449)**		
Oil & Gas Marketing Companies										
Attock Petroleum Limited	11,787	800	-	-	12,587	6,780	7,251	471	0.37%	0.37%
Pakistan State Oil Company Limited	96,835	4,000	-	4,150	96,685	33,248	33,954	706	1.75%	1.74%
Sui Northern Gas Pipelines Limited	104,680	-	-	-	104,680	12,659	9,614	(3,045)	0.50%	0.49%
Sui Southern Gas Company Limited	112,300	27,000	-	-	139,300	4,410	3,317	(1,093)	0.17%	0.17%
						57,097	**54,135**	**(2,962)**		
Paper & Board										
Packages Limited	10,726	-	-	1,212	9,514	7,706	6,926	(780)	0.36%	0.35%
						7,706	**6,926**	**(780)**		
Pharmaceuticals										
Abbott Laboratories (Pakistan) Limited	8,069	650	-	-	8,719	8,570	7,999	(571)	0.41%	0.41%
Agp Limited	32,256	-	-	-	32,256	6,655	5,045	(1,611)	0.26%	0.26%
Citi Pharma Limited	49,600	-	-	3,000	46,600	3,629	3,411	(218)	0.18%	0.17%
Glaxosmithkline Pakistan Limited	24,398	1,500	-	-	25,898	9,586	8,105	(1,481)	0.42%	0.41%
Haleon Pakistan Limited	5,860	-	-	-	5,860	4,718	4,057	(662)	0.21%	0.21%
Highnoon Laboratories Limited	8,387	-	-	-	8,387	8,410	7,825	(585)	0.40%	0.40%
The Searle Company Limited	112,986	8,000	-	-	120,986	11,441	9,672	(1,770)	0.50%	0.49%
						53,010	**46,112**	**(6,897)**		
Power Generation & Distribution										
The Hub Power Company Limited	403,100	20,000	-	29,000	394,100	91,605	79,380	(12,226)	4.09%	4.06%
Kot Addu Power Company Limited	167,389	21,000	-	-	188,389	5,322	5,034	(288)	0.26%	0.26%
K-Electric Limited	1,139,748	-	-	-	1,139,748	9,733	6,941	(2,792)	0.36%	0.35%
Pakgen Power Limited	-	-	-	-	-	-	-	-	-	0.00%
Nishat Power Limited	65,500	-	-	-	65,500	4,815	4,006	(809)	0.21%	0.20%
						111,476	**95,360**	**(16,116)**		
Real Estate Investment Trust										
Dolmen City REIT	228,000	-	-	-	228,000	8,767	8,908	141	0.46%	0.46%
						8,767	**8,908**	**141**		

Name of investee company	As at July 1, 2026	Purchases during the period	Bonus / right issued during the period	Sales during the period	As at September 30, 2026	Balance as at September 30, 2026			Market value as percentage of investments	Market value as percentage of net assets
						Carrying cost	Market value	Gain/ (Loss)		
	---------- (Number of shares / certificates) ----------					---------- (Rupees in '000) ----------				
Refinery										
Attock Refinery Limited	17,118	1,350	-	1,100	17,368	15,085	20,582	5,496	1.06%	1.05%
Cnergyico Pk Limited	491,100	80,000	-	10,000	561,100	4,643	7,362	2,718	0.38%	0.38%
						19,728	**27,943**	**8,215**		
Sugar & Allied Industries										
JDW Sugar Mills Limited	3,081	-	-	-	3,081	2,911	2,693	(218)	0.14%	0.14%
						2,911	**2,693**	**(218)**		
Synthetics And Rayon										
Ibrahim Fibres Limited	4,790	1,000	-	-	5,790	1,436	1,439	3	0.07%	0.07%
						1,436	**1,439**	**3**		
Technology & Communication										
Air Link Communication Limited	47,980	-	-	-	47,980	7,530	5,893	(1,637)	0.30%	0.30%
Hum Network Limited	193,800	-	-	35,000	158,800	1,774	1,613	(160)	0.08%	0.08%
Pakistan Telecommunication Company Ltd.	233,627	12,500	-	9,400	236,727	15,567	14,265	(1,302)	0.74%	0.73%
Systems Limited	366,020	51,000	-	26,582	390,438	56,637	46,525	(10,112)	2.40%	2.38%
Trg Pakistan Limited - Class 'A'	144,995	-	-	-	144,995	9,232	8,201	(1,031)	0.42%	0.42%
						90,740	**76,497**	**(14,242)**		
Textile Composite										
Interloop Limited	108,180	7,500	-	-	115,680	12,406	11,241	(1,165)	0.58%	0.57%
Kohinoor Textile Mills Limited	103,025	-	-	-	103,025	5,688	4,228	(1,460)	0.22%	0.22%
Mahmood Textile Mills Limited	7,569	-	-	-	7,569	1,811	1,046	(765)	0.05%	0.05%
Nishat Mills Limited	60,482	4,500	-	-	64,982	10,238	8,630	(1,609)	0.45%	0.44%
						30,144	**25,144**	**(4,999)**		
Textile Spinning										
Gadoon Textile Mills Limited	2,937	-	-	-	2,937	899	886	(13)	0.05%	0.05%
						899	**886**	**(13)**		
Textile Weaving										
Yousaf Weaving Mills Limited	9,500	-	-	-	9,500	56	50	(6)	0.00%	0.00%
						56	**50**	**(6)**		
Tobacco										
Pakistan Tobacco Company Limited	4,860	300	-	-	5,160	7,384	7,211	(173)	0.37%	0.37%
						7,384	**7,211**	**(173)**		
Transport										
Pakistan International Bulk Terminal Limited	309,835	-	-	-	309,835	5,912	4,548	(1,363)	0.23%	0.23%
						5,912	**4,548**	**(1,363)**		
Vanaspati & Allied Industries										
S. S. Oil Mills Limited	400	-	-	-	400	184	188	5	0.01%	0.01%
						184	**188**	**5**		
Woollen										
Bannu Woollen Mills Limited	1,000	-	-	-	1,000	67	63	(4)	0.00%	0.00%
						67	**63**	**(4)**		
As at September 30, 2026						**2,080,302**	**1,939,191**	**(141,111)**		
As at June 30, 2026						1,618,925	2,096,887	477,962		

6.1.1 All shares have a nominal face value of Rs. 10 each except for shares of Thal Limited, First Habib Modarba & National Foods Limited which have a nominal face value of Rs. 5 each and K-electric Limited which have a nominal face value of Rs. 3.5 each.

6.1.2 These include 100,000 shares of Oil and Gas Development Company Limited) as pledged with National Clearing Company of Pakistan Limited as on Sep 30, 2026.

	Note	September 30 2026 Un-Audited	June 30 2026 Audited
		-------- (Rupees in '000) --------	
7	**Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net**		
Market value of investments	6.1	1,939,191	2,096,887
Less: carrying value of investments		2,080,302	1,618,925
		(141,111)	477,961
8	**DIVIDEND AND PROFIT RECEIVABLE**		
Dividend receivables		3,429	350
Profit receivable on balances with banks		792	989
		4,221	1,340
9	**ADVANCES, DEPOSITS AND OTHER RECEIVABLE**		
Security deposits:			
- National Clearing Company of Pakistan Limited		2,500	2,500
- Central Depository Company of Pakistan Limited		100	100
		2,600	2,600
Advance tax	9.1	80	80
		2,680	2,680

9.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001 (the Ordinance) payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150 of Income Tax Ordinance, 2001. However, uptill year ended June 30, 2022, withholding tax on profit on debt and dividend paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) /2008-VOL.II - 66417- R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the investor/customer.

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

	Note	Un-Audited September 30 2026	Audited June 30 2026
		-------- (Rupees in '000) --------	

10. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management remuneration Payable	10.1	-	1,266
Sindh sales tax Payable	10.2	-	190
Provision for Federal Excise Duty on remuneration of Management Company	10.3	1,357	1,357
Sales Load Payable		23	13
		1,380	2,827

10.1 During the year ended June 30, 2026, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, revised the management fee cap to 0.75% to be calculated on a per annum basis of the average daily net assets, applicable to an "Equity Schemes".

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

10.2 Sindh sales tax on management remuneration is charged under the provisions of the Sindh Sales Tax on Services Act, 2011, at a rate of 15% (2026: 15%).

10.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 % on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED. With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

Since the appeal is pending in the Honorable Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained provision for FED on management fee aggregating to Rs. 1.357 million (2026: 1.357 million). Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Rs. 0.069 (2026: Rs. 0.026) per unit.

	Note	**September 30 2026 Un-Audited**	June 30 2026 Audited
		-------- (Rupees in '000) --------	
11. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Trustee remuneration Payable	11.1	**245**	249
Sales tax payable on trustee remuneration	11.2	**37**	34
		282	283

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

The tariff structure applicable to the Fund is as follows:

Net Assets of the Fund	**Remuneration Rate (Per annum)**
Upto Rs 1 billion	Rs.0.7 million or 0.20% per annum of the daily average net assets of the Fund, whichever is higher.
Exceeding Rs 1 billion	Rs. 2.0 million plus 0.10% per annum of the daily aveage net assets value of the Fund exceeding Rs 1 billion.

11.2 This represents Sindh Sales Tax levied at the rate of 15% (2026 : 15%) on Trustee remuneration.

	Note	Un-Audited September 30 2026	Audited June 30 2026
		-------- (Rupees in '000) --------	
12. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTA			
Fee payable to SECP	12.1	156	159

12.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the SECP as a revised amount equal to 0.095% (2026 : 0.095%) of average annual net assets of the Fund as per S.R.O 592 (1) / 2023 dated May 17, 2023.

13. ACCRUED EXPENSE AND OTHER LIABILITIES

Auditor's remuneration Payable	399	273
Brokerage payable	643	642
Withholding tax payable	112	2,637
Payable to NCCPL	4	18
Payable against Purchase of investment	36	36
Capital Gain Tax Payable	2,121	557
Others	2,964	2,433
	6,279	6,595

14. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at September 30, 2026 and June 30, 2026.

15. 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 accumulated losses and capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income for the year ending Sept 30, 2027 as reduced by accumulated losses and capital gains (whether realised or unrealised) to its unit holders.

Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders.

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

16. TOTAL EXPENSE RATIO

The total expense ratio of the fund as at September 30, 2026 based on the current period result is as follows:

	30-Sep-26
Management fee	0.75%
Regulatory fee	0.095%
Trustee fee and custody charges	0.15%
Levies and taxes	0.23%
Transaction expenses	0.09%
Third party expenses	0.04%
Other expenses	0.01%
Total TER with levies	1.27%
Total TER without levies	1.04%

SECP, vide SRO 600(I)/2025 dated April 10, 2025, has removed the Total Expense Ratio (TER) limit with effect from July 1, 2025. The TER limit, previously applicable, has been replaced with the management fee cap, which has been disclosed in Note 10.1 of these financial statements. The TER for the period is as

17. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

17.1 Related parties/ connected persons include AKDIML being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of Fund and the directors and officers of the Management Company and the Trustee and unit holders holding ten percent or more units of the Fund.

17.2 The transactions with connected persons / related parties are in the normal course of business, at contractual terms determined in accordance with the market rates.

17.3 Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and constitutive documents of the Fund.

17.4 The details of significant transactions carried out by the Fund with related parties/ connected persons and balances with them at the end of reporting period are as follows:

		Un-Audited	
		Quarter ended September 30	
		2026	2025
		--------- (Rupees in '000) ---------	
18.	**Details of Transactions with connected persons/related parties during the period**		
18.1.	**Transaction during the period:**		
	AKD Investment Management Limited - Management Company		
	Remuneration of the Management Company	**3,892**	2,937
	Sindh sales tax on remuneration of the Management Company	**584**	441
	Central Depository Company of Pakistan Limited - Trustee		
	Remuneration of the Trustee	**771**	783
	Sindh sales tax on trustee remuneration	**116**	117
	CDS charges inclusive of sales tax	-	5
	AKD Securities Limited - Brokerage		
	Brokerage Payable	-	28
	Toqir Hussain		
	Issue of units 240 units (2025: Nil) units	**10**	-
	Sehr Imran - Spouse of the Chief Executive Officer of the Management Company		
	Issue of units 26,948 units (2025: Nil) units	**1,098**	-
	Redemption of units 26,948 units (2025: Nil) units	**1,103**	

		September 30 2026	June 30 2026
18.2.	**Balances outstanding at the period / year end**	**Un-Audited**	**Audited**
		--------- (Rupees in '000) ---------	
	AKD Investment Management Limited - Management Company of the Fund		
	Management remuneration Payable	**-**	1,266
	Sindh Sales tax	**-**	190
	Sales load Payable	**23**	13
	Federal Excise Duty on management fee	**1,357**	1,357
	Payable to Central Depository Company of Pakistan - Trustee		
	Trustee remuneration payable	**245**	249
	Sindh Sales Tax payable on trustee remuneration	**37**	34
	Security deposit	**100**	-
	Mr. Aqeel Karim Dhedhi - Chairman of the Group		
	Units outstanding: 461 (2026: 461) units	**18**	19
	Touqir Hussain		
	Units outstanding: 1,640 (2026: 1,401) units	**64**	58
	Unit holders having more than 10% units		
	National Bank of Pakistan Employees Pension Fund		
	Number of units outstanding: 37,941,432 units (2026: 37,941,432 units)	**1,482,750**	1,574,403

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

Level 1: quoted prices 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).

As at Sept 30, 2026 and June 30, 2026, the Fund held the following financial instruments measured at fair value:

	As At September 30, 2026			
	Level 1	**Level 2**	**Level 3**	**Total**
ASSETS	**---------- (Rupees in '000) ----------**			
Financial assets 'at fair value through profit or loss'				
Listed equity securities - 'ordinary shares'	1,939,191	-	-	1,939,191

	As At June 30, 2026			
	Level 1	**Level 2**	**Level 3**	**Total**
ASSETS	**---------- (Rupees in '000) ----------**			
Financial assets 'at fair value through profit or loss'				
Listed equity securities - 'ordinary shares'	2,096,887	-	-	2,096,887

During the year, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements. The Fund has not disclosed the fair values of other financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are a reasonable approximation of their fair values.

20. GENERAL

20.1 Figures have been rounded off to the nearest thousand Rupees.

20.2 The comparative information has been reclassified or rearranged in these financial statements, wherever necessary, to facilitate comparative and to confirm with changes in presentation in the current year.

21. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on _____ by the Board of Directors of the Management Company.

AKD Investment Management Limited
(Management Company)

_____	_____	_____
Chief Executive Officer	**Chief Financial Officer**	**Director**