Quarterly Report
September 30, 2026
(Un-audited)

AKD
Cash 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 Cash 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
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib 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-AKDCF
BY PACRA: AA+(f)

FUND MANAGER'S REPORT

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

Open – end Money Market Scheme

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

The investment objective of the Fund is to provide optimum return consistent with minimal risk from a portfolio constituted of high quality short term securities / instruments, which will provide liquidity to investors. The fund exclusively invests in highly secure ('AA' and above) debt instruments such that the weighted average maturity of its assets stays below 90 days.

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

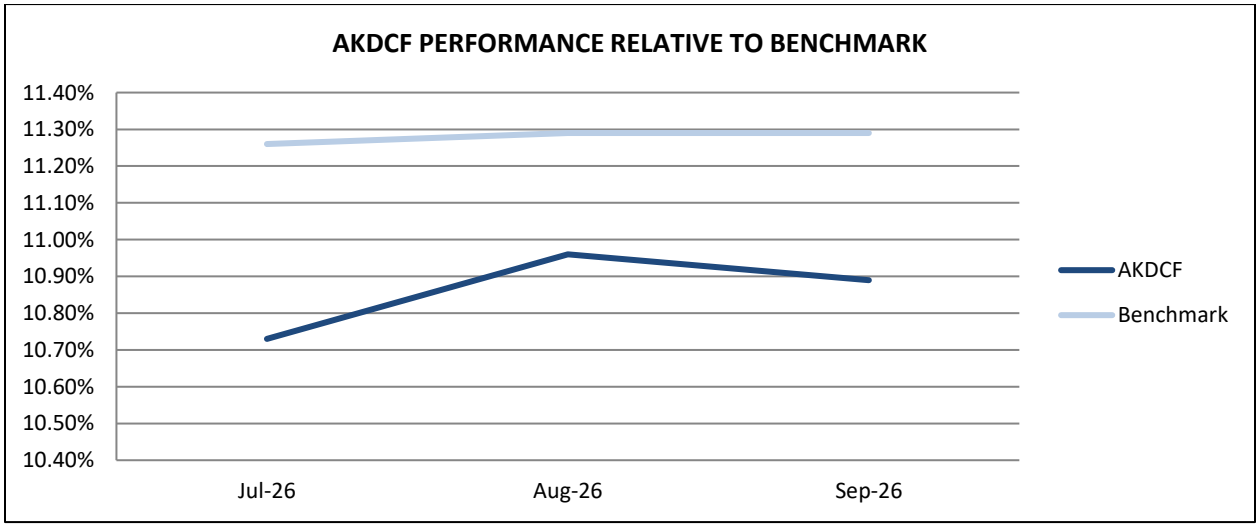
For the 1QFY27, the annualized return of AKD Cash Fund stood at 10.96% compared to the benchmark return of 11.28%.

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

90% three (3) months PKRV rates + 10% three (3) months average of the highest rates on savings account of three (3) AA rated scheduled Banks as selected by MUFAP.

Note: Benchmark has been changed effective from 1-Jan-2025; previously 70% three (3) months PKRV rate + 30% three (3) months average deposit rate of three(3) AA rated scheduled Banks as selected by MUFAP.

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



Monthly Return (annualized)	Jul-26	Aug-26	Sep-26
AKDCF	10.73%	10.96%	10.89%
Benchmark	11.26%	11.29%	11.29%

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

AKD Cash Fund is an open – end Money Market Scheme. The returns of the fund are generated primarily through investment in high quality short term government securities and short term corporate debt instruments.

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-26	30-Jun-26
Cash and Cash Equivalents	62.41%	89.87%
Treasury Bills (over 90 days)	18.04%	-
Commercial Papers / Short Term Sukuk	18.89%	6.95%
Placements with Banks, NBFCs and DFIs	-	-
GOP Ijara Sukuk (over 90 days)	-	-
Other Assets including Receivables	0.66%	3.17%

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

1QFY27 Return (annualized)	10.96%
Benchmark Return (annualized)	11.28%

ix) Changes in 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)			(Rupees)	
3,572,625	2,854,378	25.16%	53.5636	52.1243

x) Disclosure on the markets that the Collective Investment Scheme has invested in including review of the market (s) invested in and return during the period:

MACROECONOMIC REVIEW

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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.

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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.

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 was no significant change in the state of affairs during the period under review.

xii) Break down of unit holding by size:

Range (Units)	No. of Investors
0.0001 to 9,999	457
10,000 to 49,999	19
50,000 to 99,999	7
100,000 to 499,999	17
500,000 and above	22
Total	**522**

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

There were no unit splits during the period.

xiv) Disclosure of circumstances that materially affect any interest 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 CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2026

	Note	(Unaudited) September 2026	(Audited) June 2026
		-------- (Rupees in '000) --------	
Assets			
Bank balances	5	13,865	380,150
Investments	6	3,546,751	2,638,244
Mark-up receivable	7	10,104	8,448
Advances, deposits, prepayments and other receivables	8	7,512	7,584
Total Assets		3,578,232	3,034,426
Liabilities			
Payable to AKD Investment Management Limited - Management Company	9	669	1,299
Payable to the Central Depository Company of Pakistan Limited - Trustee	10	159	139
Payable to Securities and Exchange Commission of Pakistan	11	191	164
Payable against redemption and conversion of units		525	150,404
Accrued expenses and other liabilities	12	1,839	25,269
Dividend payable		2,225	2,774
Total Liabilities		5,608	180,048
Net Assets		3,572,624	2,854,378
Unit holder's fund (As per statement attached)		3,572,624	2,854,378
Contingencies and Commitments	13		
		---------- (Number of units) ----------	
Number of units in issue	14	66,698,746	54,760,942
		---------- (Rupees) ----------	
Net asset value per unit		53.5636	52.1243

The annexed notes from 1 to 19 form an integral part of these financial statements.

AKD Investment Management Limited
(Management Company)

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

AKD CASH 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			
Income from government securities		72,523	41,637
Income from letter of placements		-	2,282
Income from corporate sukuks		12,140	9,758
Mark-up on bank deposits		341	846
Realized Loss on sale of investments - net		(102)	(26)
Net unrealized Loss on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.5	(856)	(975)
Total income		84,046	53,522
Expenses			
Remuneration of AKD Investment Management Limited - Management Company	9.1	2,575	5,009
Sindh sales tax on the remuneration of the Management Company	9.2	386	751
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	405	276
Sindh sales tax on the remuneration of the Trustee	10.2	59	40
Fee to the Securities and Exchange Commission of Pakistan	11.1	552	376
Auditor's remuneration	15	144	83
Brokerage expense		4	46
Fees and subscription		101	60
Legal and professional		71	27
Bank and settlement charges		51	1
Other expenses		108	-
Total expenses		4,455	6,669
Net income before taxation		79,591	46,853
Taxation	14	-	-
Net income for the quarter		79,591	46,853
Allocation of net income for the quarter			
-Net income for the year after taxation		79,591	46,853
-Income already paid on units redeemed		(1,686)	(4,261)
		77,905	42,591
Accounting income available for distribution			
-Relating to capital gains		(958)	-
-Excluding capital gains		78,863	42,591
		77,905	42,591

The annexed notes from 1 to 19 form an integral part of these financial statements.

AKD Investment Management Limited
(Management Company)

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

AKD CASH 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 income for the quarter	79,591	46,853
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	79,591	46,853

The annexed notes from 1 to 19 form an integral part of these financial statements.

AKD Investment Management Limited
(Management Company)

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

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

	For the quarter ended September 2026			*For the quarter ended* September 2025		
	Capital value	**Undistributed income**	**Total**	**Capital value**	**Undistributed income**	**Total**
	(Rupees in '000)					
Net assets at beginning of the year	2,832,137	22,240	2,854,378	1,805,182	15,501	1,820,683
Issuance of 17,348,286 units (Sept 2025: 15,153,536 units)						
- Capital Value	904,267	-	904,267	787,846	-	787,846
- Element of income	18,378	-	18,378	8,311	-	8,311
Total proceeds on issuance of units	922,645		922,645	796,157		796,157
Redemption of 5,410,483 units (Sept 2025: 10,074,456 units)						
- Capital Value	(282,018)	-	(282,018)	(523,780)	-	(523,780)
- Element of loss	(287)	(1,686)	(1,974)	(1,292)	(4,261)	(5,553)
Total payments on redemption of units	(282,305)	(1,686)	(283,991)	(525,072)	(4,261)	(529,333)
Total comprehensive income for the year	-	79,591	79,591	-	46,853	46,853
Net income for the year after distribution	-	79,591	79,591	-	46,853	46,853
Net assets at end of the year	3,472,476	100,146	3,572,624	2,076,266	58,092	2,134,359
Undistributed income brought forward						
- Realized income		21,795			15,171	
- Unrealized income/(loss)		(445)			330	
		22,240			15,501	
Accounting income available for distribution						
- Relating to capital gains		(958)			-	
- Excluding capital gains		78,863			42,591	
		77,905			42,591	
Distributions made during the year		-			-	
Undistributed income carried forward		100,145			58,092	
Undistributed income carried forward						
- Realized income		101,001			59,068	
- Unrealized income		(856)			(975)	
		100,145			58,092	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the quarter		52.1243			51.9909	
Net assets value per unit at end of the quarter		53.5636			53.2281	

The annexed notes from 1 to 19 form an integral part of these financial statements.

AKD Investment Management Limited
(Management Company)

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

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

	Note	For the quarter ended September 2026	September 2025
		--------- (Rupees in '000) ---------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income before taxation		79,591	46,853
Adjustments for non cash and other items:			
Realized Loss on sale of investments - net		102	26
Net unrealised gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.5	856	975
		80,550	47,854
Decrease / (increase) in assets			
Investments		(909,465)	(161,338)
Advances, deposits, prepayments and other receivables		73	2,121
Mark-up receivable		(1,656)	(11,258)
Receivable against Conversion of Units		-	7,521
		(911,048)	(170,475)
(Decrease) / increase in liabilities			
Payable to AKD Investment Management Limited		(630)	1,241
Payable to the Central Depository Company of Pakistan Limited		20	6
Payable to Securities and Exchange Commission of Pakistan		27	427
Accrued expenses and other liabilities		(23,430)	(28,292)
Advance against sale of units		-	-
Payable against redemption and conversion of units		(149,879)	(580)
Payable against purchase of units		-	(109,142)
Dividend payable		(549)	-
		(174,441)	(136,340)
Net cash Used in from operating activities		(1,004,940)	(258,961)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from issuance and conversion of units		922,645	796,157
Payment on redemption of units		(283,991)	(529,333)
Net cash generated from financing activities		638,654	266,824
Net (decrease)/ increase in cash and cash equivalents during the quarter		(366,286)	7,862
Cash and cash equivalents at beginning of the year		380,150	14,474
Cash and cash equivalents at end of the quarter		13,865	22,336

The annexed notes from 1 to 19 form an integral part of these financial statements.

AKD Investment Management Limited
(Management Company)

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

AKD CASH FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AKD Cash Fund (the "Fund") was established under a Trust Deed executed between AKD Investment Management Limited (AKDIML) (the "Management Company") and the Central Depository Company of Pakistan Limited (CDC), as the Trustee. The Securities and Exchange Commission of Pakistan ("SECP") authorised constitution of the Trust Deed on August 15, 2011 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 ("NBFC Rules") and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations"). The Initial Public Offering (IPO) of the Fund was made during the period from January 19, 2012 to January 20, 2012. The Fund commenced operations from January 21, 2012.

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 an open-ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund.

1.4 The Fund is categorised as 'Money Market Fund' as per circular 7 of 2009 by SECP. The principal activity of the Fund is to make investments in government securities, treasury bills, cash and near cash instruments, money market placements, deposits with banks, certificate of deposits, certificate of musharakas, commercial papers and reverse repos.

1.5 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

1.6 The Management Company has been assigned a quality rating of " AM2 " by the Pakistan Credit Rating Agency Limited (PACRA) on May 07, 2026. The Fund has been given stability rating of 'AA+(f)' by PACRA on June 16, 2026

1.7 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. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

2.1 Statement of compliance

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.

2.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30

2.3 These condensed interim financial statements are unaudited. In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at 30 September 2026.

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

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.

4.1. Earnings per unit

Earnings per unit (EPU) has not been disclosed as in the opinion of the Management, determination of weighted average units for calculating EPU is not practicable

	Note	(Unaudited) September 2026	(Audited) June 2026
		---------- (Rupees in '000) ----------	
5. BANK BALANCES			
Savings accounts	5.1	13,865	380,150

5.1 These carry mark-up rates ranging from 7.5% to 11.5% per annum June 2026: 7.5% to 11.5% per annum).

6. INVESTMENTS			
At fair value through profit or loss			
Government securities - Market treasury bills	6.1	2,870,751	2,427,244
At amortised cost			
Corporate sukuks	6.2	676,000	211,000
		3,546,751	2,638,244

6.1 Government securities - Market treasury bills

Security Name	Face value				Balance as at September 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 01, 2026	Purchased during the year	Sold / matured during the year	As at September 30, 2026	Carrying value	Market value	Unrealized appreciation/ (dimnution)		
	(Rupees in '000)							(%)	
Treasury Bill- 01 month maturity	495,000,000	-	495,000,000	-	-	-	-	-	-
Treasury Bill- 03 month mattturity	1,570,000,000	2,923,000,000	2,515,000,000	1,978,000,000	1,957,574	1,957,215	(359)	0.55	0.68
Treasury Bill- 06 month mattturity	290,000,000	1,023,400,000	384,700,000	928,700,000	899,058	898,564	(494)	0.25	0.31
Treasury Bill- 12 month mattturity	100,000,000	15,105,000	100,000,000	15,105,000	14,975	14,972	(3)	0.00	0.01
As at September 30, 2026					**2,871,607**	**2,870,751**	**(856)**		
Investments as at June 30, 2026					2,426,798	2,427,244	445		

6.2 Corporate Sukuks

Investee Company	Rate of return (in %) per annum	Issue date	Maturity date	Face value				Carrying value as at September 30, 2026	Market Value as at September 30, 2026	Unrealized appreciation/ (dimnution)	Market value as percentage of	
				As at July 01, 2026	Purchased during the year	Sold / matured during the year	As at September 30, 2026				Investments	Net assets
				(Number of Certificates)				(Rupees in '000)			(%)	
Daewoo Pakistan Express Bus Service Limited	13.09	February 25, 2026	August 25, 2026	53	-	53	-	-	-	-	-	-
Lucky Electric Power Company Limited	11.38	March 17, 2026	September 17, 2026	38	-	38	-	-	-	-	-	-
Pakistan Telecommunication Company Limited	10.92	January 9, 2026	July 9, 2026	70	-	70	-	-	-	-	-	-
Pakistan Telecommunication Company Limited	11.48	March 17, 2026	September 17, 2026	14	-	14	-	-	-	-	-	-
Pakistan Telecommunication Company Limited	11.82	June 29, 2026	December 29, 2026	36	-	-	36	36,000	36,000	-	0.05	0.01
Pakistan Telecommunication Company Ltd-Sukuk Cert-20Th Issue	11.65	July 8, 2026	January 8, 2027	-	75	-	75	75,000	75,000	-	0.11	0.02
The Searle Company Limited - StS 1	12.53	September 15, 2026	March 15, 2027	-	190	-	190	190,000	190,000	-	0.28	0.05
Jdw Sugar Mills Limited - STS III	12.00	September 24, 2026	March 24, 2027	-	50	-	50	50,000	50,000	-	0.07	0.01
Daewoo Pakistan Express Bus Services Limited-STS 3	14.25	July 28, 2026	January 28, 2027	-	200	-	200	200,000	200,000	-	0.30	0.06
Jdw Sugar Mills Limited - STS IV	12.04	September 29, 2026	March 29, 2027	-	85	-	85	85,000	85,000	-	0.13	0.02
Lucky Electric Power Company Limited - Sukuk-24	11.77	September 16, 2026	March 16, 2027	-	40	-	40	40,000	40,000	-	0.06	0.01
Investments as at September 30, 2026								**676,000**	**676,000**	-		
Investments as at June 30, 2026								211,000	211,000	-		

	Note	(Unaudited) September 2026	(Audited) June 2026
		-------- (Rupees in '000) --------	
6.5 Net unrealised gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss'			
Market value of investments	6.1	3,546,751	2,638,244
Less: carrying value of investments		(3,547,607)	(2,637,798)
		(856)	445
7. MARK-UP RECEIVABLE			
Balances with banks		346	608
Sukuk certificates		9,758	7,840
		10,104	8,448
8. ADVANCE, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Security deposits with Central Depository Company of Pakistan Limited		200	200
Advance tax	8.1	5,683	5,648
Prepaid listing fee		1,241	1,349
Other receivable		387	387
		7,512	7,584

8.1 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 150, 151 and 233. However, uptil year ended June 30, 2026, withholding tax on profit on debt 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 customer/investor.

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 SCP 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	(Unaudited) September 2026	(Audited) June 2026
		-------- (Rupees in '000) --------	
9. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Remuneration payable	9.1	-	548
Sindh sales tax payable on remuneration of the Management Company	9.2	-	82
Allocated expenses payable	9.3	-	-
Provision for Federal Excise Duty on remuneration of Management company	9.4	669	669
		669	1,299

9.1 Pursuant to the amendments in the NBFC Regulations by SECP vide Notification S.R.O.600(l)/2025 dated April 10, 2025, the management fee for a 'Money Market Scheme' is capped at 1.25% per annum, calculated on the basis of the average daily net assets, effective from July 01, 2025. Prior to this amendment the management fee was allowed to charge at the rate of up to 2% per annum of the net assets of the Scheme. The Management Company has charged its remuneration at the rate ranging between 0.25% to 1% (2026: 0.25% to 1%) on the average daily net assets of the Fund. The fee is payable to the Management Company monthly in arrears.

9.2 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%).

9.3 Until April 09, 2025, In accordance with Regulation 60 of the NBFC Regulations, Management Company was entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to Collective Investment Scheme (CIS).

SECP through SRO 600(I)/2025 dated April 10, 2025, has amended Schedule XX of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 whereby the charging of expenses shall not include the following:

(a) Printing costs and related expenses for issuing the quarterly, half-yearly, and annual reports of the CIS;

(b) Fees and expenses related to registrar services, accounting, operations, and valuation
(c) Selling and marketing expenses for the purpose of opening and maintenance of branches;
(d) Payment of salaries/commission to the sales team and distributors;
(e) Advertising and publicity expenses, and development of alternate delivery/distribution channels for the CIS.

In view of above, the management company has restricted the allocation of expenses to the Fund with effect from April 11, 2025.

9.4 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.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 0.669 million has been retained in these financial statements as the matter is pending before the Honourable Supreme Court of Pakistan. Had the provision for FED not been made, the net asset value per unit of the Fund as at June 30, 2026 would have been higher by Rs 0.02 (2026: Rs 0.08).

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

10. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

Trustee remuneration payable	10.1	140	121
Sindh sales tax payable on the remuneration of trustee	10.2	19	18
		159	139

10.1 The Trustee is entitled to a remuneration to be paid monthly for services rendered to the Fund under the provisions of the Trust Deed, based on the daily net assets of the Fund. The remuneration is paid to the Trustee at 0.055% (June 30, 2026: 0.055%) of net assets on monthly basis in arrears.

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

11. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Fee payable	11.1	191	164

11.1 As per Regulation 62(1) of the NBFC Regulations and Notified Entities Regulations, 2008, an Asset Management Company (AMC) managing a Collective Investment Scheme (CIS) is required to pay the Securities and Exchange Commission of Pakistan (SECP) a non-refundable monthly fee of 0.075% (June 30, 2026:0.075%) of the scheme's average net assets, as specified in Schedule II of the NBFC Regulations.

Futher, the fund is required to pay SECP fee within fifteen days of the close of every calendar month.

12. ACCRUED EXPENSES AND OTHER LIABILITIES

Auditor's remuneration payable	502	439
Witholding tax payable	87	3,932
Capital gain tax payable	12	20,153
Brokerage payable	101	103
Zakat payable	11	11
Other payable	1,127	631
	1,839	25,269

13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at September 30, 2026 and June 30, 2026

14. 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 June 30, 2027, as reduced by accumulated losses and capital gains (whether realised or unrealised) to its unit holders.

15. TOTAL EXPENSE RATIO

The SECP, vide S.R.O. 600(I)/2025 dated April 10, 2025, removed the Total Expense Ratio (TER) limit with effect from July 1, 2025. The previously applicable TER limit has been replaced by the management fee cap, as disclosed in Note 8.1 to these financial statements. The TER for the year is as follows:

	2026
	--------%------
Management Fee	0.250%
Regulatory Fee	0.075%
Trustee Fee and Custody Charges	0.075%
Levies and Taxes	0.130%
Transaction Expenses	0.070%
Third Party Expenses	0.005%
Other Expenses	0.000%
Total TER with levies	0.600%
Total TER without levies	0.470%

The SECP, vide S.R.O. 600(I)/2025 dated April 10, 2025, removed the Total Expense Ratio (TER) limit with effect from July 1, 2025. The previously applicable TER limit has been replaced by the management fee cap, as disclosed in Note 9.1 to these financial statements. The TER for the year is as follows:

16. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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.

The transactions with connected persons / related parties essentially comprise sale and redemption of units, fee on account of managing affairs of the Fund, other charges and distribution payments to connected persons. The transactions with connected persons are alson in the normal course of business, and are carried out on agreed terms at contracted rates in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations, 2008 and Constitutive documents of the Fund. Allocated expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total expense ratio.

Details of transactions and balances carried out during the year and at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

16.1 Transactions during the year with connected persons / related parties

	For the quarter ended	
	September 2026	**September 2025**
	-------- (Rupees in '000) --------	
AKD Investment Management Limited - Management Company		
Management remuneration	2,575	5,009
Sindh sales tax on management remuneration	386	751
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration	405	276
Sindh sales tax on trustee remuneration	59	40
Unit holders holding 10% or more of the units in issue		
Sharmeen Asif Gohar		
Redemption of Nil units (September 2025: 87,660 units)	-	4,600
NIHAL CASSIM		
Issuance of 1,330,316 units (September 2025: 5,993,642 units)	70,500	388,000
Redemption of 908,538 units (September 2025: 1,354,272 units)	47,500	72,000
SYED IQBAL		
Redemption of Nil units (September 2025: 1,767,219 Units)	-	91,116
Nida Faisal Ghani		
Issuance of 7,371,413 units (September 2025: Nil units)	393,845	-
CDC Trustee Punjab Pension Fund Trust		
Issuance of 3,740,177 units (September 2025: Nil units)	200,000	-
Redemption of 1,909,490 units (September 2025: Nil units)	100,000	-

		(Unaudited)	(Audited)
16.2	**Balances outstanding at year end:**	**September 2026**	**June 2026**
	AKD Investment Management Limited - Management Company		
	Management remuneration payable	-	548
	Federal excise duty payable on management remuneration	669	669
	Sindh Sales tax payable on management remuneration	-	82
	Central Depository Company of Pakistan Limited - Trustee		
	Trustee remuneration payable	140	121
	Sindh Sales Tax payable on trustee remuneration	19	18
	Deposit with CDC	200	200
	Unit holders holding 10% or more of the units in issue		
	Nida Faisal Ghani		
	Units held 7,371,413 (June 2026: Nil Units)	394,839	-
	NIHAL CASSIM		
	Units held 14,362,295 ((June 2026: 13,940,517 Units)	769,296	726,640
	CDC Trustee Punjab Pension Fund Trust		
	Units held 7,835,640 (June 2026: 6,004,953 Units)	419,705	313,004

17. 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.

Basis of valuation of government securities

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV / PKFRV / PKISRV) which are based on the remaining tenor of the securities. Moreover, listed government securities traded on Pakistan Stock Exchage are valued at rates quoted on Pakistan Stock Exchange (PSX).

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)
Level 3:	those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at September 30, 2026, the Fund held the following financial instruments measured at fair values:

	September 30, 2026			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
ASSETS				
At fair value through profit and loss'				
Government securities - Market Treasury Bills		2,870,751		
Corporate Sukuk Bonds	676,000			
	676,000	2,870,751	-	-

	June 30, 2026			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
ASSETS				
At fair value through profit and loss'				
Government securities - Market Treasury Bills		2,427,244		
Government Securities - GOP Ijara Sukuk	211,000			
	211,000	2,427,244	-	-

18. GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

19. 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**