# Quarterly Report
September 30, 2025
(Un-audited)

AKD
Aggressive Income 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
Ms. Aysha Ahmed Mr.
Mr. Ali Wahab Siddiqi
Mr. Hasan Ahmed
Mr. Abid Hussain

**CHIEF OPERATING OFFICER AND COMPANY SECRETARY OF THE MANAGEMENT COMPANY**
Mr. Muhammad Yaqoob, CFA

**CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY**
Mr. Muhammad Faizan Qureshi, ACMA

**HEAD OF INERNAT AUDIT OF THE MANAGEMENT COMPANY**
Mr. Khurram Ali

**AUDIT AND RISK MANAGEMENT COMMITTEE**
Mr. Abid Hussain (Chairman)
Ms. Aysha Ahmed (Member)
Mr. Ali Wahab Siddiqui (Member)
Mr. Hasan Ahmed (Member)
Mr. Khurram Ali

**HUMAN RESOURCE AND REMUNERATION (HR & R) AND NOMINATION COMMITTEE**
Mr.Khalid Mahmood (Chairman)
Mr. Imran Motiwala (Member)
Mr. Abid Hussain (Member)
Ms. Aysha Ahmed (Member)
Ms. Anum Dhedhi (Member)
Mr. Muhammad Yaqoob, CFA (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.

# 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), and AKD Islamic Daily Dividend Fund (AKDIDDF) is pleased to present its first quarter report along with the funds' un-audited financial statements for the quarter ended September 30, 2025.

## FUNDS' FINANCIAL PERFORMANCE

**AKD Opportunity Fund (AKDOF)**
For the 1QFY26, the return of AKD Opportunity Fund stood at 34.15% compared to the benchmark KSE–100 Index return of 31.73%.

**Golden Arrow Stock Fund (GASF)**
For the 1QFY26, the return of Golden Arrow Stock Fund stood at 33.32% compared to the benchmark KSE–100 Index return of 31.73%.

**AKD Islamic Stock Fund (AKDISSF)**
For the 1QFY26, the return of AKD Islamic Stock Fund stood at 28.11% compared to the benchmark KMI–30 Index return of 33.20%.

**AKD Index Tracker Fund (AKDITF)**
For the 1QFY26, the return of AKD Index Tracker Fund stood at 30.81% compared to the benchmark KSE–100 Index return of 31.73%.

**AKD Cash Fund (AKDCF)**
For the 1QFY26, the annualized return of AKD Cash Fund stood at 9.44% compared to the benchmark return of 10.66%.

**AKD Islamic Income Fund (AKDISIF)**
For the 1QFY26, the annualized return of AKD Islamic Income Fund stood at 9.92% compared to the benchmark return of 9.51%.

**AKD Aggressive Income Fund (AKDAIF)**
For the 1QFY26, the annualized return of AKD Aggressive Income Fund stood at 28.64% compared to the benchmark return of 11.20%.

**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 13.16% compared to the benchmark return of 9.74%.

**MACRO PERSPECTIVE**

The first quarter of FY26 was defined by a strong financial market rally and continued monetary discipline, even as the economy faced significant flood-related supply shocks. The State Bank of Pakistan (SBP) maintained its policy rate at 11% throughout the quarter, prioritizing price stability and anchoring inflation expectations amid evolving risks. Investor sentiment remained robust, with the KSE-100 Index advancing by ~32% to a record close of 165,494 points by the end of quarter — reflecting confidence in macroeconomic management and structural resilience.

Monetary policy during the period remained cautious yet steady. In its September 15, 2025 Monetary Policy Committee (MPC) meeting, the SBP cited moderate headline inflation in July and August and a gradual decline in core inflation as justification for keeping rates unchanged. The decision represented a measured trade-off, viewing the flood-induced disruption as a temporary supply shock rather than a systemic demand imbalance. This stance helped preserve the fragile recovery without introducing additional monetary tightening.

Despite this stability, consumer sentiment diverged from official inflation trends. The Consumer Inflation Expectations Index rose 5.1% in July to 69.0, eased slightly to 67.5 in August, and increased 3.7% MoM in September to 70.0, reflecting persistent public concern over prices. The Asian Development Bank (ADB) echoed these concerns, forecasting average inflation of around 6% in FY26, driven by flood-related food shortages and anticipated gas tariff adjustments. This widening gap between anchored policy expectations and rising consumer sentiment highlights the risk of second-round inflationary effects if supply constraints persist longer than anticipated.

The economy's resilience against flood shocks without immediate financial instability was largely supported by fiscal consolidation achieved in the prior fiscal year. Preliminary data from the Ministry of Finance indicated that the fiscal deficit was contained at 0.2% of GDP, while the primary surplus improved to PKR 228.9 billion (0.2% of GDP), compared with PKR 107.1 billion in the same period last year. This provided the MPC confidence that the economy was "on a significantly stronger footing to withstand the negative fallout of the ongoing floods" compared to previous climate disasters, minimizing the risk of fiscal slippage despite the inevitable need for relief and reconstruction spending.

On the external front, the balance of payments remained broadly stable during the quarter, supported by robust remittance inflows and subdued import pressures. The Current Account Deficit (CAD) stood at USD 594 million, nearly unchanged from USD 504 million in the same period last year, reflecting effective external account management despite challenging conditions. Workers' remittances continued to serve as a critical stabilizing factor, rising 8.4% YoY to USD 9.53 billion in 1QFY26. However, structural weaknesses persisted, as the goods trade deficit widened 10.2% to USD 7.53 billion. Imports increased 8.3%, primarily due to post-flood reconstruction demand, while exports grew a modest 6.5%, reflecting supply-side constraints. The Pakistani rupee depreciated marginally by 1.3%, closing the quarter at PKR 281.32 per USD, indicating overall currency stability amid moderate external pressure.

Flood-related disruptions, however, weighed heavily on export performance. Food exports fell 31%, driven by steep declines in rice (-42%), Basmati rice (-44%), and vegetables (-41%), while imports of food (+35%), machinery (+21%), and transport goods (+112%) increased significantly. This shift reflected reconstruction demand and selective capital spending, but also exposed structural vulnerabilities in domestic production capacity and trade competitiveness.

High-frequency data indicated that industrial recovery remained uneven. The Large-Scale Manufacturing (LSM) Index grew 4.44% YoY in August 2025, reflecting improved activity in automobiles (+130%), cement (+18.6%), and fertilizer (+2.8%), while textiles (-0.3%), machinery (-45.4%), and petroleum products (-13.6%) contracted. The sharp decline in machinery and capital goods output suggested limited new investment, with growth driven primarily by consumer demand and inventory normalization rather than expansionary industrial activity. The MPC noted that ongoing flood impacts would likely temper near-term output gains, with FY26 growth expected to moderate relative to earlier projections.

Overall, Pakistan's macroeconomic performance in 1QFY26 demonstrated resilience in the face of climate and external headwinds. Disciplined monetary policy, fiscal prudence, and strong remittance inflows helped preserve stability despite inflationary risks and a widening trade deficit. The near-term challenge lies in managing flood-related supply pressures and tariff-induced inflation without derailing the fragile recovery.

Sustained policy continuity, targeted structural reforms, and enhanced supply-side capacity remain essential for maintaining economic stability and supporting a gradual transition from stabilization to growth in the coming quarters.

**EQUITY MARKET REVIEW**

The Pakistani equity market delivered a robust rally over the quarter, with the KSE-100 Index rising ~32% to close at 165,494 points by the end of September 2025. This impressive performance was underpinned by macroeconomic stabilization, a stable monetary policy environment, and strong domestic liquidity. Investor sentiment was further strengthened by the finalization of a historic trade agreement between Pakistan and the United States, focused on tapping into Pakistan's offshore oil reserves.

Momentum was reinforced by Pakistan's strategic cooperation agreement with Saudi Arabia, outlining multi-million-dollar investments in the energy and healthcare sectors. This included a $121 mn Saudi Fund for Development (SFD) package for hydropower and healthcare projects, along with a $1.2 bn oil-payment deferral, easing pressure on foreign exchange reserves and strengthening the country's external position. Additionally, the signing of the Pakistan–Saudi Strategic Mutual Defense Agreement, modeled on collective defense frameworks such as NATO, provided a further boost to investor sentiment. Beyond its geopolitical significance, the pact is expected to attract up to USD 3.5 bn in FDI from Saudi Arabia and allied Gulf partners, reinforcing confidence in Pakistan's long-term economic and security outlook. Collectively, these developments have enhanced Pakistan's standing as an emerging energy and investment hub, supported structural fiscal stability, and sustained the KSE-100's upward trajectory.

Investor participation was also strong throughout the quarter with average daily trading volume stood at 950 mn shares, up by 95% as compared to 487 mn shares in the same period last year. Foreign investors remained net sellers, with net outflows of $132.08 mn, as compared to net outflow of $21.73 mn in the same period last year. Notable selling was observed in the Oil and Gas Exploration Companies ($27.67 mn), Commercial Banks ($24.30 mn), Oil and Gas Marketing Companies ($14.52 mn), Fertilizer ($14.00 mn), and Technology and Communication ($10.14 mn). Foreign selling was majorly observed by the Mutual Funds with net purchases of $206.06 mn followed by Individuals, Companies, and NBFC with net buying of $89.00 mn, $28.14 mn, and $1.33 mn, respectively. However, Banks / DFI and Insurance Companies were major net sellers domestically, with respective divestments of $150.09 mn and $2.59 mn, respectively.

The July–September 2025 earnings season will be a key gauge for market direction, with highly leveraged sectors poised to benefit from lower borrowing costs and easing input prices. Early forecasts suggest margin improvement and stronger earnings, supporting momentum after a record FY25. The KSE-100, trading at a forward P/E of 4.6x, offers re-rating potential if earnings upgrades materialize, aided by liquidity rotation from fixed income. While external and political risks remain, they appear contained, and the near term should see continued recovery and targeted inflows into banks, construction-linked, and consumer sectors. Over the medium term, policy continuity, external stability, a rebound in agriculture and manufacturing, and gradual monetary easing are expected to support further gains. Overall, the outlook for Pakistani equities remains constructive, underpinned by improving fundamentals and resilient investor confidence.

**FIXED INCOME REVIEW**

During the quarter, the SBP maintained its policy rate at 11%, reflecting a disciplined monetary policy aimed at anchoring expectations amid rising risks. In the September 15, 2025 Monetary Policy Committee meeting, the SBP highlighted that inflation remained relatively moderate in July and August, alongside a slow but steady decline in core inflation, justifying the decision to keep the rate unchanged. Correspondingly, yields on government securities remained relatively stable, with the yield curve maintaining an upward slope, indicative of normal term premia and market confidence in the SBP's measured stance.

During the period, SBP conducted a total of six (6) Market Treasury Bills (MTB) auctions, where the Government managed to raise ~PKR 3.37 tn against the auction target of PKR 2.98 tn. Notably, the weighted average yields for 3, 6, and 12-month MTB were 10.81%, 10.78%, and 10.86% respectively, significantly down by 780 bps, 782 bps, and 671 bps as compared to 18.61%, 18.61%, and 17.57% during the same period last year. Moreover, the weighted average yield of 1-month MTB was 10.87% during the period.

To further address the need for liquidity, SBP also conducted three (3) auctions of fixed-rate Pakistan Investment Bonds (PIB) and was successful in raising PKR 1.64 tn. The weighted average yield for 3, 5, and 10 years fixed-rate PIB decreased by 475 bps, 367 bps, and 195 bps to 15.88%, 15.10%, and 14.11%, respectively as compared to 11.13%, 11.43%, and 12.16% during the same period last year.

In the market for Shariah Compliant instruments, a total of three (3) auctions were held for GOP Ijara Sukuk through the Pakistan Stock Exchange. These auctions, covering Variable Rental Rate (VRR), Fixed Rental Rate (FRR), and Fixed Rate Discounted (FRD) instruments, successfully raised PKR 484.11 bn, against the target of PKR 600 bn.

Looking ahead to the auction target calendars for Oct through Dec 2025, the SBP aims to raise PKR 4.50 tn by issuing 1 to 12-month MTB against the maturing amount of PKR 4.92 tn. Additionally, the SBP targets to raise PKR 1.25 tn through 2 to 15-year fixed-rate PIB whereas, PKR 950 bn is targeted to be raised through 10-year floating-rate PIB. Moreover, the Pakistan Stock Exchange issued a notice announcing auctions for the sale of GOP Ijara Sukuk, with the target of raising PKR 750 bn in the three upcoming auctions during Oct through Dec 2025.

**FUTURE OUTLOOK**

As Pakistan reaches the mid of FY26, the economy benefiting from stronger macroeconomic tailwinds and a supportive policy environment. The cumulative 1,000 bps reduction in the policy rate since the start of the monetary easing cycle, together with a headline CPI of 5.6% in September 2025, has normalized real interest rates, improved financing conditions, and provided businesses with access to cheaper credit, supporting capacity expansion. Following a prolonged tightening phase, private-sector credit growth is expected to gain momentum over the coming quarters, gradually translating macroeconomic stability into tangible economic growth.

The equity market outlook is cautiously constructive. Much of the current market performance reflects confidence in macroeconomic stability achieved through structural reforms. However, given the highly restrictive real interest rate environment, further normalization is expected by late Q2FY26 or early Q3FY26, which could provide stronger support for growth. In the near term, equity performance is likely to remain measured and below the previous quarter's momentum, with the corporate earnings season serving as the primary driver of market direction. Liquidity inflows are expected to gradually return to equities, though a broad-based rally appears unlikely without new catalysts.

Sectoral expectations are differentiated. Cyclical industries are positioned to benefit from improving demand, while commercial banks may face modest headwinds as monetary easing compresses net interest margins. The SBP's cautious approach, recognizing that the full impact of the rate reduction takes 18–24 months to transmit, indicates a gradual normalization process. Meanwhile, domestic political uncertainty and regional geopolitical risks remain potential constraints, underscoring the importance of sustained policy continuity and disciplined implementation to maintain investor confidence and support a stable growth trajectory.

Overall, while immediate equity market upside may be limited, the medium-term outlook is positive, supported by improving fundamentals, gradual monetary easing, and ongoing structural reforms.

For and on behalf of the board

| | |
|---|---|
| **Imran Motiwala** | **Khalid Mahmood** |
| Chief Executive Officer | Chairman |

Karachi:

**FUND INFORMATION**

**AKD Aggressive Income Fund**

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

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

**Bankers**
Apna Microfinance Bank Limited
Askari Bank Limited
Bank Al Falah Limited
Bank Al Habib Limited
Bankislami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Mobilink Microfinance Bank Limited
NRSP Microfinance Bank Limited
U Microfinance Bank Limited

**Rating-AKDAIF**
PACRA: A+(f)

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

**Distributor**
Financial Investments Mart (Pvt) Ltd.
Investlink Advisor (Private) Limited.
Investomate (Private) Limited
ITMinds Limited.

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

**AKD AGGRESSIVE INCOME FUND**
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**
**AS AT SEPTEMBER 30, 2025**

| | Note | Un-audited September 30, 2025 | Audited June 30, 2025 |
|---|---|---|---|
| | | ---------- (Rupees in '000) ---------- | |
| **ASSETS** | | | |
| Bank balances | 5 | **211,306** | 95,760 |
| Investments | 6 | **988,165** | 894,903 |
| Dividend and Profit receivable | 7 | **17,323** | 3,069 |
| Deposit, prepayments and other receivables | 8 | **3,084** | 11,968 |
| Receivable against sale of units | | **55** | 108,411 |
| **Total assets** | | **1,219,932** | 1,114,111 |
| **LIABILITIES** | | | |
| Payable to AKD Investment Management Limited - Management Company | 9 | **1,947** | 2,155 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | 10 | **35** | 26 |
| Payable to the Securities and Exchange Commission of Pakistan | 11 | **81** | 73 |
| Accrued expenses and other liabilities | 12 | **12,549** | 11,140 |
| Payable against redemption of units | | **1,018** | 25 |
| Unclaimed dividend | | **15,022** | 15,022 |
| **Total liabilities** | | **30,652** | 28,441 |
| **NET ASSETS** | | **1,189,280** | 1,085,670 |
| **UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)** | | **1,189,280** | 1,085,670 |
| **CONTINGENCIES AND COMMITMENTS** | 13 | | |
| | | ----------- (Number of units) ----------- | |
| **NUMBER OF UNITS IN ISSUE** | | **20,769,321** | 20,328,538 |
| | | ------------- (Rupees) ------------- | |
| **NET ASSETS VALUE PER UNIT** | | **57.2614** | 53.4062 |

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

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

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

**AKD AGGRESSIVE INCOME FUND**
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025**

| | Note | Quarter ended September 30 2025 | Quarter ended September 30 2024 |
|---|---|---|---|
| | | --------- (Rupees in '000) --------- | |
| **INCOME** | | | |
| Capital gain on sale of investment | | 5,614 | 3,322 |
| Net unrealised appreciation/(diminution) on remeasurement of investments 'at fair value through profit or loss' | 6.5 | 501 | 5,315 |
| Unrealised gain on future contracts | | | |
| Profit on bank deposits | | 4,881 | 7,838 |
| Income from: | | | |
| - Government securities | | 12,557 | 12,892 |
| - Term finance certificates and sukuk certificates | | 4,247 | 11,123 |
| - Commercial papers | | - | 3,787 |
| - Margin Trading System | | - | 240 |
| Dividend income | | 6,763 | 466 |
| Other income | | 53,305 | - |
| **Total income** | | **87,867** | 44,982 |
| **EXPENSES** | | | |
| Remuneration of AKD Investment Management Limited - Management Company | | **4,318** | 3,076 |
| Sindh sales tax on the remuneration of Management Company | | **648** | 436 |
| Expenses allocated by Management Company | | **-** | 501 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | | **216** | 140 |
| Sindh sales tax on the remuneration of Trustee | | **32** | 20 |
| Annual fee to the Securities and Exchange Commission of Pakistan | | **216** | 140 |
| Security transaction costs | | **2,359** | 146 |
| Auditor's remuneration | | **117** | 118 |
| Bank charges | | **-** | 14 |
| Fee and subscriptions | | **60** | 60 |
| Legal and professional | | **54** | 55 |
| **Total expenses** | | **8,020** | 4,706 |
| **Net income for the period before taxation** | | **79,847** | 40,276 |
| Taxation | 14 | **-** | - |
| **Net income for the period after taxation** | | **79,847** | 40,276 |
| **Allocation of net income for the period** | | | |
| Net income for the period after taxation | | **79,847** | 40,276 |
| Income already paid on units redeemed | | **(129)** | (34) |
| | | **79,718** | 40,242 |
| **Accounting income available for distribution** | | | |
| - Relating to capital gains | | **6,115** | 8,637 |
| - Excluding capital gains | | **73,603** | 31,605 |
| | | **79,718** | 40,242 |
| **Earnings per unit** | 15 | | |

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

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

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

**AKD AGGRESSIVE INCOME FUND**
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025**

| | Quarter ended September 30 | |
|---|---|---|
| | **2025** | 2024 |
| | **--------- (Rupees in '000) ---------** | |
| **Net income for the period after taxation** | **79,847** | 40,242 |
| Other comprehensive income for the period | **-** | **-** |
| **Total comprehensive income for the period** | **79,847** | 143,867 |

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

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

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

**AKD AGGRESSIVE INCOME FUND**
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025**

| | Note | Quarter ended September 30 2025 | Quarter ended September 30 2024 |
|---|---|---|---|
| | | --------- (Rupees in '000) --------- | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Net income for the period before taxation | | **79,847** | 40,276 |
| **Adjustments for non-cash and other items** | | | |
| Net unrealised appreciation/(diminution) on remeasurement of investments 'at fair value through profit or loss' | | **(501)** | (5,315) |
| Unrealised gain on future contracts | | **-** | - |
| Capital gain on sale of investments | | **(5,614)** | (3,322) |
| | | **73,732** | 31,639 |
| **Decrease / (increase) in assets** | | | |
| Profit receivable | | **(14,254)** | (14,996) |
| Deposits, prepayments and other receivables | | **8,884** | 514 |
| Receivable against sale of securities | | **108,356** | (3,198) |
| | | **102,986** | (17,680) |
| **Increase / (decrease) in liabilities** | | | |
| Payable to AKD Investment Management Limited - Management Company | | **(208)** | 2,613 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | | **9** | 106 |
| Payable to the Securities and Exchange Commission of Pakistan | | **8** | 140 |
| Accrued expenses and other liabilities | | **1,409** | 944 |
| | | **1,218** | 3,803 |
| Investments - net | | **(87,146)** | (106,662) |
| **Net cash used in operating activities** | | **90,790** | (88,900) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Amount received against issuance of units | | **35,192** | 14,174 |
| Amount paid against redemption of units | | **(10,435)** | (11,580) |
| Distribution paid during the period | | **-** | - |
| **Net cash generated from financing activities** | | **24,757** | 2,594 |
| **Net decrease in cash and cash equivalents during the period** | | **115,547** | (86,306) |
| Cash and cash equivalents at beginning of the period | | **95,760** | 320,623 |
| **Cash and cash equivalents at end of the period** | 17 | **211,307** | 234,317 |

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

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

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

**AKD AGGRESSIVE INCOME FUND**
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)**
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025**

| | **2025** | | | 2024 | | |
|---|---|---|---|---|---|---|
| | **Capital value** | **Undistributed income** | **Total** | Capital value | Undistributed income | Total |
| | ------ (Rupees in '000) ------ | | | | | |
| **Net assets at beginning of the period** | **1,064,447** | **21,223** | **1,085,670** | 690,767 | 33,908 | 724,675 |
| Issue of units 648,716 (2024: 145,163 units) | | | | | | |
| - Capital value (at Ex-Net asset value per unit at the beginning of period) | **34,651** | **-** | **34,651** | 13,846 | - | 13,846 |
| - Element of income | **541** | **-** | **541** | 328 | - | 328 |
| | **35,192** | **-** | **35,192** | 14,174 | - | 14,174 |
| Redemption of 207,933 units (2024: 117,672 units) | | | | | | |
| - Capital value (at Ex-Net asset value per unit at the beginning of period) | **(11,105)** | **-** | **(11,105)** | (10,130) | - | (10,130) |
| - Element of income | **(194)** | **(129)** | **(324)** | (1,417) | (34) | (1,451) |
| | **(11,299)** | **(129)** | **(11,429)** | (11,547) | (34) | (11,581) |
| Total comprehensive income for the period | **-** | **79,847** | **79,847** | - | 40,276 | 40,276 |
| Distribution | **-** | | **-** | - | | - |
| Refund of capital | | **-** | **-** | | - | - |
| **Net assets at end of the period** | **1,088,340** | **100,940** | **1,189,280** | 693,394 | 74,150 | 767,544 |

| | 2025 | 2024 |
|---|---|---|
| Undistributed income brought forward | | |
| - Realised income | **20,753** | 37,415 |
| - Unrealised income / (loss) | **470** | (3,507) |
| | **21,223** | 33,908 |
| Accounting income available for distribution | | |
| - Relating to capital gains | **6,115** | 8,637 |
| - Excluding capital gains | **73,603** | 31,605 |
| | **79,718** | 40,242 |
| Interim Cash Distribution | **-** | - |
| Undistributed income carried forward | **100,940** | 74,150 |
| Undistributed income carried forward | | |
| - Realised income | **100,440** | 68,835 |
| - Unrealised income | **501** | 5,315 |
| | **100,940** | 74,150 |
| | **(Rupees)** | (Rupees) |
| Net assets value per unit at beginning of the period | **53.4062** | 51.5202 |
| Net assets value per unit at end of the period | **57.2614** | 54.4615 |

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

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

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

## 1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Aggressive Income Fund (the Fund) was established under a Trust Deed dated October 2, 2006 executed between AKD Investment Management Limited as 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 September 11, 2006 and it was executed on October 2, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced operations from March 23, 2007.

The Management Company of the Fund has been licensed to act as an asset management company under the NBFC Rules, through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block 8, Clifton, Karachi, in the province of Sindh.

The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Its units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund.

The Fund is classified as an 'Aggressive Fixed Income Scheme' as per circular 7 of 2009 by SECP. The principal activity of the Fund is to make investments in government securities, deposits with bank, money market placements, deposits, certificate of deposits (COD), certificate of mushrakas (COM), commercial paper, reverse repo, term deposit receipts, term finance certificates / sukuk certificates, spread transactions and transactions under margin trading system.

The 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.

The Management Company has been assigned a quality rating of AM2 (June 30, 2025: "AM2") by the Pakistan Credit Rating Agency Limited (PACRA) on May 07, 2025. The Fund has been given stability rating of 'A+(f)' (2025: 'A+(f)') by PACRA on September 09, 2024.

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

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

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

- Provisions of and directives issued under the Companies Act, 2017; 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 requirement of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

**2.2** This condensed interim financial information does not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended 30 June 2025.

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

## 3. MATERIAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and methods of computation followed for the preparation of this condensed interim financial information are the same as those applied in preparing the financial statements as at and for the year ended 30 June 2024.

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 2025.

## 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 2025.

| | | Note | Un-Audited September 30 2025 | Audited June 30 2025 |
|---|---|---|---|---|
| | | | ---------- (Rupees in '000) ---------- | |
| **5.** | **BANK BALANCES** | | | |
| | In saving accounts | 5.1 | **211,306** | 320,548 |
| | In current accounts | | **-** | 75 |
| | | | **211,306** | 320,623 |

**5.1** Mark-up rate on these accounts is 8% to 11.95% (June 30, 2024: 18 to 20.50%) per annum.

| | | Note | Un-Audited September 30 2025 | Audited June 30 2025 |
|---|---|---|---|---|
| **6.** | **INVESTMENTS** | | | |
| | **At fair value through profit or loss** | | | |
| | - Term Finance Certificates | 6.1 | **23,467** | 23,467 |
| | - Sukuk Certificates | 6.2 | **143,745** | 7,861 |
| | - Government securities | | | |
| | Market Treasurty Bills | 6.3 | **228,492** | 596,216 |
| | Pakistan Investment Bonds | 6.4 | **90,768** | 88,634 |
| | Ijara Sukuks | 6.5 | **-** | 460 |
| | - Listed equity securities (spread transactions) | - | **501,693** | 105,845 |
| | - Investment in MTS | | **-** | - |
| | | | **988,165** | 822,483 |
| | **At amortised cost** | | | |
| | - Short term Sukuk(STS) | 6.4 | **-** | 72,420 |
| | | | **988,165** | 894,903 |

The Securities and Exchange Commission of Pakistan vide circular no. 7 of 2009 dated

**6.1 Term finance certificates**

| Name of investee company | Face value | As at July 01, 2025 | Purchased during the year | Sold / matured during the year | As at September 30, 2025 | Balance as at September 30, 2025 | | | Market value as a percentage of | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Carrying value | Market value | Unrealised appreciation / (diminution) | Investments of the Fund | Net assets of the Fund | Paid up capital of the investee company held |
| | (Rupees) | --------------- Number of certificates --------------- | | | | ------------------ (Rupees in '000')--------------- | | | ------------------------ % ------------------------ | | |
| **Technology & Communication** | | | | | | | | | | | |
| TPL Corporation Limited - (note 6.1.1) | 100,000 | 400 | - | - | 400 | 23,467 | 23,467 | - | 0.01 | 0.01 | - |
| June 30, 2025 | | | | | | 25,975 | 23,467 | (2,508) | | | |

**6.1.1 Significant terms and conditions of term finance certificate which are not provided or impaired are as follows:**

| Name of investee company | Face value | Redeemed value | Mark-up rate (per annum) | Maturity | Rating |
|---|---|---|---|---|---|
| | ------------------(Rupees)------------------ | | | | |
| TPL Corporation Limited | 100,000 | 100,000 | 3 months KIBOR + 2.5% | June 28, 2027 | AA- |

6.1.2 The Term Finance Certificates (TFCs) of Bank Makramah Limited (formerly known as Summit Bank Limited) had an original maturity of October 27, 2018. An extra ordinary general meeting was called on November 19, 2018, where it was resolved that the maturity date of these certificates be extended for one year on the existing terms and conditions. Since BML defaulted on timely payment of its final installment, the Management Company has made 100 percent provision amounting to Rs. 24.925 million against the defaulted installment in line with the requirement of Circular 33 dated October 24, 2012). Furthermore, profit on installment due amounting to Rs. 1.23 million has also been suspended.

6.1.3 The coupon payment of the Term Finance Certificate (TFC) of Silk Bank Limited (SBL) was due on February 10, 2022, which the SBL failed to pay on the due date of payment. As per SECP Circular No 35 of 2012 Dated November 26, 2012 the Fund has reversed the principal and the profit amount due on February 10, 2022 and stopped the accrual of the interest. The TFCs of SBL has been classified as a Non-Performing Asset (NPA) by MUFAP. Furthermore, as per SECP circular No. 33 of 2012 dated October 24, 2012, full provision is made by management during the year. During the year, an amount of Rs. 114.188 millions (Rs. 49.99 million as principal repayment and Rs. 64.198 million as interest repayment) has been recovered accordingly provision to this extent has been reversed.

6.1.4 The Term Finance Certificates (TFCs) of Worldcall Telecom Limited (WTL) had an original maturity of October 07, 2013. WTL had defaulted on timely repayment of principal, therefore, the TFC has been classified as non-performing by Mutual Funds Association of Pakistan w.e.f November 8, 2012. Accordingly the outstanding investment had been fully provided. However, in last years WTL paid Rs. 4.157 million to the Fund which represents the repayment of principal amounting to Rs. 2.587 million and markup amounting to Rs. 1.570 million.

6.1.5 The Fund had advanced an amount of Rs 100 million in respect of Pre-IPO placement of Dewan Cement Limited (DCL) under an agreement, which required public offering to be completed within 270 days of the date of agreement (which was January 9, 2008). Dewan Cement Limited (DCL) failed to complete the public offering within the said time and had also defaulted in payment of principal and profit for the said year. The Fund had made provision for the amount of the investment in accordance with the provisioning criteria specified in Circular No.1 of 2009 dated January 6, 2009 issued by the SECP.

6.1.6 The Term Finance Certificates (TFCs) of Pace (Pakistan) Limited (PPL) were originally maturing on October 07, 2013. However, PPL defaulted on timely repayment of principal, therefore, the TFC has been classified as non-performing by Mutual Funds Association of Pakistan w.e.f September 5, 2011. Accordingly the outstanding investment had been fully provided.

**6.2 Sukuk certificates**

| Name of investee company | Face value | As at July 01, 2025 | Purchased during the year | Sold / redeemed during the year | As at September 30, 2025 | Balance as at September 30, 2025 | | | Market value as a percentage of | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Carrying value | Market value | Unrealised appreciation / (diminution) | Investments of the Fund | Net assets of the Fund |
| | (Rupees) | ------------------Number of certificates------------------ | | | | ------------------ (Rupees in '000) ------------------ | | | ------------ % ------------ | |
| **Unlisted** | | | | | | | | | | |
| **Pharmaceuticals** | | | | | | | | | | |
| Citi Pharma Ltd. | 1,000,000 | - | 30 | - | 30 | 30,000 | 30,000 | - | 0.01 | |
| **Textile** | | | | | | | | | | |
| Beacon Impex | 1,000,000 | - | 25 | - | 25 | 25,000 | 25,000 | - | 0.01 | |
| **Automobiles & Autoparts** | | | | | | | | | | |
| Loads Limited | 1,000,000 | - | 11 | - | 11 | 11,000 | 11,000 | - | 0.00 | |
| **Power generation and distribution** | | | | | | | | | | |
| K-Electric Limited | 1,000,000 | - | 40 | - | 40 | 40,000 | 40,000 | - | 0.02 | |
| **Technology and Communication** | | | | | | | | | | |
| TPL Trakker Limited - (note 6.2.1) | 500,000 | 30 | - | - | 30 | 3,367 | 3,448 | 81 | 0.00 | 0.00 |
| **Engineering** | | | | | | | | | | |
| Mughal Iron & Steel Industries Limited - (note 6.2.2) | 562,500 | 15 | - | - | 15 | 1,879 | 1,877 | (2) | 0.00 | 0.00 |
| **September 30, 2025** | | | | | | **143,666** | **143,745** | **79** | | |
| June 30, 2025 | | | | | | 7,964 | 7,861 | (103) | | |

6.2.1 The tenor of the sukuk is 5 years and carries mark up at the rate 3 months KIBOR plus 3.00% per annum and will be matured on March 30, 2026.

6.2.2 The tenor of the sukuk is 5 years and carries mark up at the rate 3 months KIBOR plus 1.30% per annum and will be matured on March 02, 2026.

**6.3 Government securities - Market Treasury Bills**

| Tenor | Issue date | Face Value | | | | Balance as at September 30, 2025 | | | Market value as a percentage of | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | At July 01, 2025 | Purchased during the year | Sold / matured during the year | As at September 30, 2025 | Carrying value | Market value | Unrealised appreciation / (diminution) | Investments of the Fund | Net assets of the Fund |
| | | ----------(Rupee in '000)---------- | | | | | | | ------------ % ------------ | |
| Treasury bills - 1 month | September 4, 2025 | - | 100,000 | 60,000 | 40,000 | 39,988 | 39,988 | (1) | | |
| Treasury bills - 3 months | May 2, 2025 | 5,000 | - | 5,000 | - | - | - | - | 0.00 | 0.00 |
| Treasury bills - 3 months | May 15, 2025 | 232,900 | - | 232,900 | - | - | - | - | 0.00 | 0.00 |
| Treasury bills - 3 months | May 29, 2025 | 180,000 | - | 180,000 | - | - | - | - | 0.00 | 0.00 |
| Treasury bills - 3 months | August 21, 2025 | - | 100,000 | 100,000 | - | - | - | - | | |
| Treasury bills - 12 months | November 28, 2024 | 50,000 | - | - | 50,000 | 49,183 | 49,151 | (32) | 0.00 | 0.00 |
| Treasury bills - 12 months | June 12, 2025 | 150,000 | - | - | 150,000 | 139,754 | 139,353 | (401) | 0.00 | 0.00 |
| **September 30, 2025** | | | | | | **228,925** | **228,492** | **(433)** | | |
| June 30, 2025 | | | | | | 596,211 | 596,216 | 5 | | |

6.3.1 The Fund has pledged T-bill to cover DFC losses arising from spread transactions.

**6.4 Pakistan Investment Bonds**

| Name of investee company | As at July 01, 2025 | Purchased during the year | Matured / sold during the year | As at September 30, 2025 | Carrying value | Market Value | Unrealised appreciation / (diminution) | Market value as percentage of | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | Investments of the Fund | Net Assets of the Fund | Paid up capital of the investee company held |
| | ---------- Face value ---------- | | | | ---------- Rupees in '000' ---------- | | | ---------- % ---------- | | |
| PIBs - 2 years | 100,000 | - | - | 100,000 | 90,978 | 90,768 | (210) | 0.00 | 0.00 | - |
| **September 30, 2025** | | | | | **90,978** | **90,768** | **(210)** | | | |
| June 30, 2025 | | | | | 85,739 | 88,634 | | | | |

6.4.1 The Fund has pledged T-bill to cover DFC losses arising from spread transactions.

**6.5 Spread transactions**

| Sector / Companies | As at July 01, 2025 | Purchased during the year | Sold during the year | As at September 30, 2025 | Balance as at September 30, 2025 | | | Percentage in relation to | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Carrying value | Market value | Unrealised Appreciation / (Diminution) | Total market value of investments | Net assets of the Fund | Paid up capital of the investee company held | |
| | ---------- (Number of Shares) ---------- | | | | ---------- (Rupees'000' ) ---------- | | | ---------- (%) ---------- | | | |
| **Cement** | | | | | | | | | | | |
| D.G. Khan Cement Company Limited | - | 843,000 | 500,000 | 343,000 | 86,565 | 91,035 | 4,470 | - | - | - | - |
| Mapple Leaf Cement | - | 185,000 | - | 185,000 | 19,889 | 20,277 | 388 | - | - | - | - |
| **Automobile Assembler** | | | | | | | | | | | |
| Ghandhara Automobiles Limited | | 100,000 | 100,000 | - | - | - | - | | | | |
| Ghandhara Industries Limited | | 70,000 | 70,000 | - | - | - | - | | | | |
| Dewan Farooque Motors Limited | | 88,500 | 88,500 | - | - | - | - | | | | |
| **Commercial Bank** | | | | | | | | | | | |
| National Bank of Pakistan | - | 5,000 | 5,000 | - | - | - | - | | | | |
| HBL Bank Limited | - | 112,000 | 112,000 | - | - | - | - | | | | |
| Bank Alfalah Limited | - | 219,500 | 219,500 | - | - | - | - | | | | |
| UBL Bank Limited | - | 8,500 | 8,500 | - | - | - | - | | | | |
| **Chemicals** | | | | | | | | | | | |
| AgriTech Limited | 50,000 | 50,000 | 100,000 | - | - | - | - | | | | |
| **Fertilizer** | | | | | | | | | | | |
| Fauji Fertilizer Company Limited | - | 63,500 | 63,500 | - | - | - | - | | | | |
| Engro Fertilizers Limited | - | 10,500 | 10,500 | - | - | - | - | | | | |
| **Properties** | | | | | | | | | | | |
| TPL Properties Limited | - | 4,053,500 | 53,500 | 4,000,000 | 47,330 | 47,080 | (250) | - | - | - | - |
| **Engineering** | | | | | | | | | | | |
| Aisha Steel Mills Limited | - | 100,000 | 100,000 | - | - | - | - | - | - | - | - |
| **Refinery** | | | | | | | | | | | |
| Pakistan Refinery Limited | - | 47,000 | 47,000 | - | - | - | - | | | | |
| Attock Refinery Limited | - | 29,000 | 29,000 | - | - | - | - | | | | |
| National Refinery Limited | - | 48,000 | 48,000 | - | - | - | - | | | | |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Food And Personal Care Products** | | | | | | | | | | | |
| At-Tahur Limited | - | 300,000 | - | 300,000 | 15,173 | 14,352 | (821) | | | | |
| Unity Foods Limited | 2,675,000 | 2,675,000 | 5,350,000 | - | - | - | - | | | | |
| Treet Corporation Limited | - | 281,500 | 281,500 | - | - | - | - | | | | |
| **Oil & Gas Exploration Companies** | | | | | | | | | | | |
| Oil & Gas Development Company Limited | 27,000 | 766,000 | 444,000 | 349,000 | 99,447 | 96,753 | (2,694) | | | | |
| Mari Energies Limited | | 114,500 | 114,500 | - | - | - | - | | | | |
| **Oil & Gas Marketing Companies** | | | | | | | | | | | |
| Pakistan State Oil Company Limited | - | 306,500 | 90,000 | 216,500 | 99,781 | 102,285 | 2,504 | | | | |
| Sui Northern Gas Companies Limited | - | 181,500 | 50,000 | 131,500 | 18,000 | 18,169 | 169 | | | | |
| Sui Southern Gas Companies Limited | 756,000 | 924,000 | 1,512,000 | 168,000 | 7,445 | 7,224 | (221) | | | | |
| **Power Generation And Distribution** | | | | | | | | | | | |
| K-Electric Limited | - | 260,000 | - | 260,000 | 1,666 | 1,807 | 141 | | | | |
| Hub Power Company Limited | - | 239,500 | 224,000 | 15,500 | 3,563 | 3,709 | 146 | - | - | - | - |
| **Textile Spinning** | | | | | | | | | | | |
| Kohinoor Spinning Mills Limited | | 1,000,000 | 1,000,000 | - | - | - | - | | | | |
| **INV. BANKS / INV. COS. / SECURITIES COS** | | | | | | | | | | | |
| PIA Holding Company Limited | | 54,500 | 54,500 | - | - | - | - | | | | |
| **Transport** | | | | | | | | | | | |
| Pakistan International Bulk Terminal | - | 20,000 | - | 20,000 | 280 | 275 | (5) | - | - | - | - |
| **Cable And Electrical Goods** | | | | | | | | | | | |
| Pak Electron Limited | - | 797,500 | 50,000 | 747,500 | 41,087 | 42,368 | 1,281 | - | - | - | - |
| **Pharmaceuticals** | | | | | | | | | | | |
| The Searle Company Limited | - | 46,500 | 30,500 | 16,000 | 1,887 | 1,874 | (13) | | | | |
| Citi Pharma Limited | - | 160,500 | 100,000 | 60,500 | 5,987 | 6,067 | 80 | - | - | - | - |
| **Technology & Communication** | | | | | | | | | | | |
| TRG Pakistan Limited | - | 716,000 | 78,500 | 637,500 | 52,527 | 48,707 | (3,820) | - | - | - | - |
| Symmetry Group Limited | - | 50,000 | 50,000 | - | - | - | - | - | - | - | - |
| Air Link Communication Limited | - | 150,000 | 150,000 | - | - | - | - | - | - | - | - |
| **September 30, 2025** | | | | | **500,627** | **501,982** | **1,355** | | | | |
| Net impact of mark to market of futur contracts | | | | | | (289) | | | | | |
| **TMV of investment in spread transactions as at 30-September-2025** | | | | | | **501,693** | **1,355** | | | | |

**6.6 Ijarah Sukuks**

| Name of investee company | Rate of return | As at July 01, 2025 | Purchased during the year | Matured / sold during the year | As at September 30, 2025 | Carrying value | Market Value | Unrealised appreciation / (diminution) | Market value as percentage of | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Investments of the Fund | Net Assets of the Fund | Paid up capital of the investee company held |
| | ----- % ----- | ------------------- Face value ---------------- | | | | ------------------------- Rupees in '000' ------------------------- | | | ----------------------------------- % ----------------------------------- | | |
| GOP-Ijarah - (1 year) | 21.69 | 93 | - | 93 | - | - | - | - | - | - | - |
| **September 30, 2025** | | | | | | - | - | - | | | |
| June 30, 2025 | | | | | | 457 | 460 | 3 | | | |

**6.7 Corporate Sukuks**

| Name of investee company | Rate of return | As at July 01, 2025 | Purchased during the year | Matured / sold during the year | As at September 30, 2025 | Carrying value | Maturity | Rating | Market value as percentage of | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Investments of the Fund | Net Assets of the Fund | Paid up capital of the investee company held |
| | ----- % ----- | ------------------- Face value ---------------- | | | | ------------------------- Rupees in '000' ------------------------- | | | ----------------------------------- % ----------------------------------- | | |
| K-Electric- STS | 11.63 | 40,000 | | 40,000 | - | - | November 11, 2025 | AA | - | - | - |
| K-Electric-1 Year | 12.60 | 32,420 | | 32,420 | - | - | October 24, 2025 | AA | - | - | - |
| **September 30, 2025** | | | | | - | - | | | | | |
| June 30, 2025 | | | | | 72,420 | 72,420 | | | | | |

| | | Note | Un-Audited September 30 2025 | Audited June 30 2025 |
|---|---|---|---|---|
| | | | ---------- (Rupees in '000) ---------- | |
| **7.** | **DIVIDEND AND PROFIT RECEIVABLE** | | | |
| | Profit receivable on: | | | |
| | - Term finance and sukuk certificates | | **4,932** | 2,164 |
| | - Commercial papers | | **-** | - |
| | - Dividend Receivable | | **6,763** | - |
| | - Bank deposits | | **5,627** | 905 |
| | | | **17,323** | 3,069 |

| | | | | |
|---|---|---|---|---|
| **8.** | **DEPOSIT, PREPAYMENTS AND OTHER RECEIVABLES** | | | |
| | Security deposits with: | | | |
| | - National Clearing Company Pakistan Limited | | **2,750** | 2,750 |
| | - Central Depository Company Limited | | **100** | 100 |
| | Prepaid National Clearing Company Pakistan Limited annual fee | | | - |
| | Security margin deposit | | **-** | 6,353 |
| | Advance tax | | **226** | 226 |
| | Prepaid Legal & Professional Charges | | **-** | - |
| | Other receivable | | **-** | 2,540 |
| | Prepaid PSX Listing Fee | | **9** | - |
| | | | **3,084** | 11,968 |

| | | Note | Un-Audited September 30 2025 | Audited June 30 2025 |
|---|---|---|---|---|
| | | | ---------- (Rupees in '000) ---------- | |
| **9.** | **PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY** | | | |
| | Management fee | 9.1 | **1,424** | 1,606 |
| | Sindh sales tax on management fee | 9.2 | **214** | 241 |
| | Expenses allocated by the Management Company | 9.3 | **169** | 169 |
| | Preliminary expense and floating cost payable | 9.4 | **140** | 140 |
| | | | **1,947** | 2,155 |

**9.1** The remuneration to the Management Company is been charged at 1.5% (June 30, 2025: 1.5%) of the daily average net assets value and is payable in arrears.

**9.2** Sindh sales tax on services at the rate of 15% (June 30, 2024: 13%) on gross value of management fee is charged under the provisions of Sindh Sales Tax on Services Act, 2011.

**9.3** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company, based it's own discretion while keeping in view the overall return as the total expense ratio limit as defined under NBFC Regulations, 2008, has charged its fees at the rate of ranging from 0.2% to 0.4% (2024: 0.4%) per annum of the average annual net assets of the Fund.

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 services of the CIS;
(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.

**9.4** As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company was applied with effect from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Management Company jointly with other Asset Management Companies and Trustees of respective Collective Investment Schemes (CISs), through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED since June 13, 2013.

On June 30, 2016, the SHC of Pakistan had passed a judgment that after 18th amendment in the Constitution of Pakistan, the

Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 4.14 million (June 30, 2023: Rs. 4.14 million) until the matter is resolved. Had the provision not been retained, the net asset value per unit of the Fund as at September 30, 2023 would have been higher by Re. 0.007 per unit (June 30, 2025: Rs. 0.0007 per unit).

Through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn.

| | | Note | Un-Audited September 30 2025 | Audited June 30 2025 |
|---|---|---|---|---|
| | | | ---------- (Rupees in '000) ---------- | |
| **10.** | **PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE** | | | |
| | Trustee fee | 10.1 | **32** | 44 |
| | Sindh sales tax on trustee fee and CDS charges | 10.2 | **3** | 6 |
| | | | **35** | 50 |

**10.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed and as per the tariff specified therein, based on 0.075% (June 30, 2025: 0.075%) of the daily net assets value of the Fund.

**10.2** Sindh sales tax on services has been charged at the rate of 15% (June 30, 2025:15%) on gross value of trustee fee under the provisions of Sindh Sales Tax on Services Act, 2011.

| | | Note | Un-Audited September 30 2025 | Audited June 30 2025 |
|---|---|---|---|---|
| | | | ---------- (Rupees in '000) ---------- | |
| **11.** | **PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN** | | | |
| | Fee payable to SECP | 11.1 | **81** | 73 |

**11.1** Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 all Collective Investment Scheme are required to pay monthly fee, to the Securities and Exchange Commission of Pakistan, an amount equal to 0.075% (June 30, 2025: 0.075%) of the average annual net assets of the scheme.

| | | Un-Audited September 30 2025 | Audited June 30 2025 |
|---|---|---|---|
| | | ---------- (Rupees in '000) ---------- | |
| **12.** | **ACCRUED EXPENSES AND OTHER LIABILITIES** | | |
| | Auditor's remuneration | **505** | 388 |
| | National Clearing Company of Pakistan Limited clearing charges payable | **441** | 441 |
| | Withholding tax payable | **1,924** | 1,924 |
| | Capital gain tax payable | **28** | 1,512 |
| | Brokerage payable | **4,931** | - |
| | Sales load payable | **21** | 6 |
| | Fund rating \ ranking fee payable | **87** | . |
| | Annual listing fee payable | **15** | - |
| | Legal Fee Payable | **155** | |
| | Provision for Federal Excise Duty on remuneration of management company | **4,141** | 4,141 |
| | Others | **301** | 2,727 |
| | | **12,548** | 11,140 |

**13. CONTINGENCIES AND COMMITMENTS**

There are no contingencies and commitments outstanding as at September 30, 2025 and June 30, 2025.

**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 capital gains, whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provisions of section 113 (Minimum Tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. During the year, Management Company intends to distribute cash dividend of at least 90% of the aforementioned accounting income to the unit holders. Accordingly, no provision for taxation has been recognised in these financial statements.

**15. 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.

**16. TOTAL EXPENSE RATIO**

The total expense ratio of the Fund for the year ended September 30, 2025 is 2.78% (2024: 2.52%) which includes 0.31% (2024: 0.32%) representing government levies such as sales taxes, Sindh Workers' Welfare Fund, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Aggressive Fixed Income Scheme.

**17. CASH AND CASH EQUIVALENTS**

| | Note | **Un-Audited September 30 2025** | Audited June 30 2025 |
|---|---|---|---|
| | | **---------- (Rupees in '000) ----------** | |
| Bank balances | 5 | **211,306** | 95,760 |
| Market treasury bills (having original maturity upto 3 months) | 6.3 | **-** | 412,373 |
| | | **211,306** | 508,133 |

**18. TRANSACTIONS WITH CONNECTED PERSONS**

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, the Trustee, directors and key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

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.

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

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

**18.1 Details of transactions with related parties / connected persons during the period are as follows:**

| | Un-Audited September 30 2025 | Un-Audited September 30 2024 |
|---|---|---|
| | ---------- (Rupees in '000) ---------- | |
| **AKD Investment Management Limited - Management Company** | | |
| Management fee | **4,318** | 3,076 |
| Sindh sales tax on management fee | **648** | 436 |
| Allocated expenses | **-** | 501 |
| **Central Depository Company of Pakistan Limited - Trustee** | | |
| Trustee remuneration | **216** | 140 |
| CDC charges | **43** | 43 |
| Sindh sales tax on trustee remuneration | **32** | 20 |

**18.2 Details of balances with related parties / connected persons as at period end**

| | Un-Audited September 30 2025 | Audited June 30 2025 |
|---|---|---|
| | ---------- (Rupees in '000) ---------- | |
| **AKD Investment Management Limited - Management Company** | | |
| Management remuneration payable | **1,424** | 1,606 |
| Sindh sales tax payable on management remuneration | **214** | 241 |
| Federal excise duty payable on management remuneration | **140** | 4,141 |
| Payable against allocated expenses | **169** | 169 |
| **Central Depository Company of Pakistan Limited - Trustee** | | |
| Trustee remuneration payable | **32** | 24 |
| Sindh sales tax payable on trustee remuneration and settlement charges | **3** | 2 |
| Security deposit | **100** | 100 |
| **Unit holder holding 10% or more of the units in issue** | | |
| **National Bank of Pakistan Employees Pension Fund** | | |
| Outstanding 16,406,351 units (June 30, 2025: 16,406,351) units | **939,450** | 876,201 |

## 19. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

**Level 1:** quoted prices in active markets for identical assets or liabilities;

**Level 2:** those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

| | **As at September 30, 2025** | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| | **---------------- Rupees in '000 ---------------** | | | |
| **ASSETS** | | | | |
| **Investment in securities - at fair value through profit or loss** | | | | |
| - Term Finance Certificates | **-** | **23,467** | **-** | **23,467** |
| - Sukuk Certificates | **-** | **143,745** | **-** | **143,745** |
| - Government securities | **-** | **-** | **-** | **-** |
| - Listed equity securities (spread transactions) | **501,693** | **-** | **-** | **501,693** |
| | **501,693** | **167,212** | **-** | **668,905** |

| | As at June 30, 2025 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| | ---------------- Rupees in '000 --------------- | | | |
| **ASSETS** | | | | |
| **Investment in securities - at fair value through profit or loss** | | | | |
| - Term Finance Certificates | - | 23,467 | - | 23,467 |
| - Sukuk Certificates | - | 80,281 | - | 80,281 |
| - Government securities | - | 685,310 | - | 685,310 |
| - Listed equity securities (spread transactions) | - | - | - | - |
| | 105,845 | | - | 105,845 |
| | 105,845 | 789,058 | - | 894,903 |

There were no transfers between various levels of fair value hierarchy during the period

**20. GENERAL**

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

**20.2** Comparative figures have been reclassified where necessary for better presentation and comparison.

**21. DATE OF AUTHORISATION FOR ISSUE**

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

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

| | | |
|---|---|---|
| **Chief Executive Officer** | **Director** | **Chief Financial Officer** |