Quarterly Report
December 31, 2024
(Un-audited)

AKD
ISLAMIC DAILY DIVIDEND 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. Ali Wahab Siddiqi
Mr. Hasan Ahmed
Mr. Abid Hussain
Mr. Khalid Mehmood
Mr. Imran Motiwala

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

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY
Mr. Muhammad Munir Abdullah

HEAD OF INERNAT AUDIT OF THE MANAGEMENT COMPANY
Ms. Tayyaba Masoom Ali, ACA (ICAP & ICAEW)

AUDIT AND RISK MANAGEMENT COMMITTEE
Mr. Abid Hussain (Chairman)
Ms. Aysha Ahmed (Member)
Mr. Ali Wahab Siddiqui (Member)
Mr. Hasan Ahmed (Member)
Ms. Tayyaba Masoom Ali, ACA (ICAP & ICAEW) (Secretary)

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 Sultan, CFA (Secretary)

RATING
AKD Investment Management Limited AM3++ (AM Three Plus Plus) 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 half yearly report along with the Funds' reviewed Financial Statements for the first half ended December 31, 2024.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)
For the 1HFY25, the return of AKD Opportunity Fund stood at 40.67% compared to the benchmark KSE–100 Index return of 46.76%.

Golden Arrow Stock Fund (GASF)
For the 1HFY25, the return of Golden Arrow Stock Fund stood at 44.14% compared to the benchmark KSE–100 Index return of 46.76%.

AKD Islamic Stock Fund (AKDISSF)
For the 1HFY25, the return of AKD Islamic Stock Fund stood at 47.28% compared to the benchmark KMI–30 Index return of 41.30%.

AKD Index Tracker Fund (AKDITF)
For the 1HFY25, the return of AKD Index Tracker Fund stood at 44.12% compared to the benchmark KSE–100 Index return of 46.76%.

AKD Cash Fund (AKDCF)
For the 1HFY25, the annualized return of AKD Cash Fund stood at 17.67% compared to the benchmark return of 16.29%.

AKD Islamic Income Fund (AKDISIF)
For the 1HY25, the annualized return of AKD Islamic Income Fund stood at 18.17% compared to the benchmark return of 9.99%.

AKD Aggressive Income Fund (AKDAIF)
For the 1HFY25, the annualized return of AKD Aggressive Income Fund stood at 18.13% compared to the benchmark return of 15.53%.

AKD Islamic Daily Dividend Fund (AKDIDDF)
For the 1HFY25, the annualized return of AKD Islamic Daily Dividend Fund stood at 17.13% compared to the benchmark return of 9.58%.

Distribution for the first half ended December 31, 2024:

The Chief Executive under the authority granted by the Board of Directors approved total distribution of Rs. 4.14 per unit to the unit holders during the first half ended December 31, 2024.

MACRO PERSPECTIVE

As we approach the midpoint of FY25, Pakistan's economic trajectory appears increasingly positive. Declining inflation and encouraging export figures suggest that the government's policy initiatives, in conjunction with the ongoing IMF program, are beginning to bear fruit. While acknowledging the persistent challenges, the overall economic direction is promising. GDP growth, however, remains subdued, reflecting the lag effect of previous monetary policy decisions. The impact of recent interest rate reductions has yet to fully permeate the economy. It is anticipated that the time lag between Monetary Policy Committee (MPC) decisions and their tangible impact on economic activity will shorten, allowing the positive effects of the current monetary easing cycle to more rapidly stimulate growth. The economy, previously constrained by the high finance costs associated with the 22% interest rate regime, is now poised for expansion. This easing cycle is supported by the continued downward trend in inflation and the currently modest pace of GDP growth.

The Monetary Policy Committee in conveyed the MPS on December 16, 2024 in which they did a rate cut of 200 bps, bringing down the policy rate to 13%. This would mark the 5th consecutive rate cut by SBP since the start of interest rate reversal cycle in June 2024. This is primarily driven by a rapid decline in inflation which is approaching the medium-term average inflation target of 5-7%. Additionally, the SBP attributed this decline in inflation to the following factors: 1) a significant decline in food inflation, 2) favorable global oil prices, and 3) absence of adjustments in gas tariffs and PDL rates.

In December 2024, the National Consumer Price Index (NCPI) fell to 4.1% YoY amid relatively stable food, utility, and fuel prices, and decelerating core inflation. The average inflation rate for the first half of FY25 was 7.22%, a substantial decrease from the 28.8% recorded during the same period in FY24. Food inflation, which had surged over 27% last year, saw only a modest increase of 0.03% YoY in Dec-24. MoM inflation remained flattish, down by 0.1% MoM, primarily on the back of (i) a muted trend in the Food segment, (ii) a -1.1% MoM decrease in utilities segment due to a reduction in electricity charges, and (iii) a 0.7% MoM increase in Transport segment due to a rise in POL prices.

The impact of the previously imposed, Advances-to-Deposits Ratio (ADR) requirement on Pakistan's banking sector is clear. Driven by the now-rescinded 50% ADR target, private sector credit surged to Rs. 1.4 trillion in FY25 compared to Rs. 153 billion in the same period last fiscal year (FY24), an 815% increase year-on-year. This aggressive lending, reflected in an 8% loan portfolio expansion during November 2024 alone, pushed advances to Rs. 14.9 trillion (a 24% YoY rise). While the government later shifted to a higher corporate tax rate for banks instead of the ADR-related penalty, the initial target spurred significant credit growth, led by both conventional and Islamic banks.

On the external front, Pakistan's current account balance continues its positive trend, registering a surplus of USD 582 million in December 2024. Cumulatively, the 6MFY25 current account now boasts a surplus of USD 1.21 billion, a remarkable turnaround from the USD 1.397 billion deficit recorded during the same period last year. A closer look at the month-over-month changes reveals a 30% increase in the trade deficit, primarily driven by a normalization of imports, reaching USD 1.2 billion. This rise reflects a 10-20% MoM increase across various import categories, including food, machinery, and others. While imports increased, exports also saw positive movement, rising by 11% MoM, partially offsetting the import surge. Furthermore, workers' remittances demonstrated robust growth, posting a 29% YoY increase while maintaining a strong average of USD 3 billion per month. This positive momentum in remittances, coupled with the overall improvement in the current account balance, reflects growing confidence in the economy.

The remarkable turnaround in Pakistan's Current Account Balance, shifting from a deficit of USD 1.397 billion during the first half of FY24 to a surplus of USD 1.21 billion in the same period of FY25, can be largely attributed to a combination of factors. While a substantial rise in overseas workers' remittances and increased other current transfers played a significant role, the initial improvement stemmed significantly from a slowdown in imports. Total imports for the first quarter of FY25 reached USD 16.83 billion, reflecting a 12% *increase* compared to the same period last year. However, this increase only began to materialize in recent months, following a period of significantly suppressed import activity. This initial slowdown in imports, coupled with the marked increase in workers' remittances (which soared to USD 8.79 billion in 1QFY25, up 39% from USD 6.33 billion in the same quarter last year, supported by a stable exchange rate), contributed substantially to the positive shift in the CAD. Overall, this positive momentum in the external sector, driven by both the initial import slowdown and subsequent growth in trade and remittances, has enhanced the country's balance of payments and contributed to overall economic stability.

According to the data released by the SBP, the foreign exchange reserves held by the central bank stood at USD 11.71 billion by the end of 1HFY25, with the Country's liquid foreign exchange reserves reaching USD 16.41 billion. This marks a 17% increase since the beginning of the fiscal year. This surge can be primarily attributed to the disbursement of tranche under the IMF's EFF program and increase in remittances. This increase in reserves not only enhances the Country's ability to meet its external obligations but is also likely to strengthen investor confidence in Pakistan's economic prospects. Profit / dividend repatriation by foreigners has jumped 1.1xYoY during 5MFY25 to USD 1.1Bn. Further, USD continues to trade at PKR 278/USD. PKR's REER index jumped by 0.76%MoM to 103.7 in Dec'24. FDI inflows reached $1.33 billion during 1HFY25, up from $1.11 billion in the same period of FY24, marking a $221 million increase. During this period, total FDI inflows stood at $1.88 billion, significantly surpassing outflows of $554 million.

In a significant move, Saudi Arabia has rolled over USD 3Bn deposits with Pakistan for 1 year, aiming to support the country in meeting its external financing requirement. Further, Saudi Arabia announced additional investment of USD 600Mn in Pakistan (with 34 MoUs signed for different sectors), raising its total commitment to $2.8 billion. Moreover, the Government has decided to sell 15% of its stake (PKR 150Bn) in the Reko Diq project to Saudi Arabia under the Inter-Governmental Commercial Transactions Act.

Recent data indicates that the Large Scale Manufacturing Index (LSMI) fell 2.24%MoM in Oct'24, due to major decline from key sectors i.e. Furniture (64%), Machinery & Equipment (61%) and Fabricated Metal (25%). As a result, 4MFY25 LSMI was down 1%YoY. The production in July-October 2024-25 as compared to July-October 2023-24 has increased in Food, Tobacco, Textile, Wearing apparel, Coke & Petroleum Products, Automobiles and Other Transport Equipment while it decreased in Rubber Products, Non Metallic Mineral Products, Electrical Equipment, Machinery and Equipment, Iron & Steel Products, and Furniture.

EQUITY MARKET REVIEW

In 1HFY25, the equity market gained 36,595 points for a return of 46.6%, with the benchmark KSE-100 Index closing at 115,126.9 points. During the month of December 2024, the KSE-100 index witnessed historic high level momentum peaking at 117,039 points. Improving macroeconomic indicators under the new IMF program, i.e. falling inflation, falling yields on fixed income, aggressive monetary easing of 900 bps by the central bank improved external accounts, stable currency, and political stability, drove the strong performance of market in HFY24. As per Bloomberg data, Pakistan's KSE-100 Index was among the second best-performing markets in US dollar and local currency after Argentina in 2024.

The external account also showed notable improvement, featuring a current account surplus of USD 729Mn in 5MFY25 - driven by robust remittances i.e. up 34% as compared to 5MFY24 and growing exports i.e. up 13%YoY, alongside workers' remittances and exports were up 34%YoY and 13%YoY, respectively. Negotiations with IPPs will save up to PKR 1.1Trn for the Government. This stability, coupled with a stable exchange rate has positively influenced market sentiment.

In FIPI, highest contribution was from the Overseas Pakistanis segment with outflows of USD 183mn in 1HFY25 by Dec 31, 2024, from USD 4.89mn in HFY24, a YoY growth of 36%. Notable foreign selling was observed in the Commercial Banks (USD 60.51 million), followed by Fertilizers (USD 56.62 million), Oil and Gas Exploration Companies (USD 41.3 million), Food and Personal Care Products (USD 23.43 million), Power Generation and Distribution (USD 15.95 million), and Oil and Gas Marketing Companies (USD 14.22 million). Conversely, domestic investors, including Mutual Funds, Companies, and Individuals, were net buyers, with net purchases of USD 182.72 million, USD 26.69 million, and USD 26.34 million respectively. However, other domestic participants, such as Banks/DFI, Other Organizations, Brokers, and Insurance Companies, were major net sellers, with respective divestments of USD 20.68 million, USD 17.24 million, USD 5.82 million, and USD 4.83 million.

In terms of local sector performance, the top gainers during the period included Commercial Banks (+32.40%), Fertilizer (+30.32%), Oil and Gas Exploration Companies (+22.12%), Food and Personal care products (+12.54%), and Power Generation and Distribution (+8.54%). In contrast, sectors that experienced declines were Technology (-13.03%), Textile Composite (-1.59%), and All other sectors (-1.33%).

The equity market outlook necessitates a cautious approach, given the prevailing economic and political uncertainties. While pockets of opportunity exist, a balanced perspective is essential. Macroeconomic conditions, though showing signs of stabilization, require continuous monitoring. Stock valuations, while currently attractive, should be evaluated in the context of potential risks. Corporate earnings, while generally positive, are not immune to inflationary pressures and exchange rate volatility. Political dynamics remain a key source of uncertainty, potentially impacting market sentiment. Furthermore, the looming threat of tariffs from the USA, Pakistan's largest export destination, adds another layer of complexity. Such tariffs could have unforeseen and potentially significant repercussions for the Pakistani economy, impacting export revenues, business confidence, and investment flows.

FIXED INCOME REVIEW

Since the SBP has started lowering policy rate in June 2024, the yields on government securities have seen a substantial reduction in both primary and secondary markets. This environment has generated heightened interest from both domestic and foreign investors seeking attractive returns on government debt securities, despite the allure of a robust equity market.

During the period, SBP conducted a total of thirteen (25) Market Treasury Bills (MTB) auctions, where the Government managed to raise PKR 13.209 trillion against the auction target of PKR 13.508 trillion. Notably, the weighted average yields for 3, 6, and 12-month MTB were 14.30%, 14.61%, and 14.14% respectively, significantly down by 663 bps, 597 bps, and 582 bps as compared to 20.93%, 20.58%, and 19.95% during the same period last year.

To further address the need for liquidity, SBP also conducted three (21) auctions of fixed-rate Pakistan Investment Bonds (PIB) and was successful in raising PKR 8.159 trillion. The weighted average yield for 3 and 5 years PIB decreased by 345 bps and 9 bps to 15.88% and 15.10%, respectively, as compared to 19.33% and 15.19% during the same period last year. Whereas, weighted average yield for 10 year PIB increased by 89 bps to 14.11% as compared to 13.22% in the same period last year.

In the market for Shariah Compliant instruments, a total of three (6) 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 400.50 billion, against the target of PKR 500 billion.

Looking ahead to the auction target calendars for January through March 2025, the State Bank of Pakistan aims to raise PKR 2.20 trillion by issuing 3 to 12-month MTB against the maturing amount of PKR 3.446 trillion. Additionally, the SBP targets to raise PKR 1.050 billion through 2 to 15-year fixed-rate PIB whereas, PKR 2.000 trillion is targeted to be raised through 2 to 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 425 billion in the one upcoming auction during January 2025.

FUTURE OUTLOOK

The successful negotiation of external financial support marked a turning point, but the subsequent economic landscape has presented new dynamics. While initial credit rating upgrades reflected optimism, recent developments require a reassessment. Challenges persist, notably headwinds include weak momentum, especially in manufacturing, low consumer confidence, and the persistence of a negative energy price shock which can explain the lower expectation of GDP growth by IMF to 3% instead of 3.4%. The focus has now shifted to stimulating the economy as reflected by monetary easing stance of SBP and M2 hitting Rs. 34.9 trillion and Cash in Circulation reaching 9.4 trillion. Investors are closely monitoring these evolving circumstances, particularly the IMF review in mid of Feb 2025.

The Monetary Policy Committee embarked on a monetary easing stance in June 2024 and since then has reduced the policy rate by a substantial 900 bps to 13.0%, down from a historical high of 22%. This was in response to better than earlier anticipated decline in inflation which dropped to 4.1% YoY in December 2024, coming out of peak inflation (YoY 37.97% in May 2023) the trend is in decline and it is a very positive development and shows the progress of governments' austerity and economic reforms

This pace of disinflation can be attributed to the impact of contained demand, reinforced by improved supply chain for essential food items, ongoing fiscal and monetary consolidation efforts, favorable global commodity prices, delays in upward adjustments in administered energy prices, and a favorable base effect. While inflation is on a downward trend and is expected to continue this trajectory, it remains vulnerable to risks such as the timing and magnitude of future adjustments in administered energy prices, volatility in global commodity markets, and potential new taxation measures to address revenue shortfalls. The central bank projects that average inflation for FY25 will fall below the previously estimated range of 11.5% to 13.5%. However, this outlook is contingent upon achieving targeted fiscal consolidation and the timely realization of anticipated external inflows.

While potential inflows from a larger IMF program and other sources could bolster investor confidence, the current economic landscape presents a more nuanced picture. Actual GDP growth has significantly underperformed, registering a concerning 0.92%. This stark contrast casts a shadow over optimistic projections. Furthermore, fiscal pressures are mounting, as evidenced by the Federal Board of Revenue (FBR) missing its December 2024 target by a substantial PKR 386 billion. This shortfall raises concerns about meeting fiscal targets, especially with the crucial IMF review expected in mid-February 2025. The significant revenue shortfall and the much lower-than-projected GDP growth pose substantial downside risks. Coupled with lingering political uncertainty, these factors create a challenging environment and could significantly impact market performance. The path ahead requires careful navigation to address these pressing fiscal and growth concerns.

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Khalid Mahmood
Chairman

Karachi:

FUND INFORMATION

AKD Islamic Daily Dividend 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
Dubai Islamic Bank Pakistan Limited

Auditors
M/s Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8,
KCHSU Shahrah-e-Faisal,
Karachi-75350

Legal Advisor
Siddiqui & Raza
Barristers and Legal Consultants
Office # 301, 3rd Floor, The Plaza
Block No. 9, Clifton, 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
Al-Hilal Securities Advisors (Pvt.) Ltd.
ITMinds Limited.
YPay Financial Services (Pvt.) Ltd.

Rating-AKDIDDF
BY PACRA: AA(f)

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

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TRUSTEE REPORT TO THE UNIT HOLDERS

AKD ISLAMIC DAILY DIVIDEND FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of AKD Islamic Daily Dividend Fund (the Fund) are of the opinion that AKD Investment Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the six month period ended December 31, 2024 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

We would like to draw Unit holders' attention towards the fact that Management Company has not provided financial statements of the Fund therefore we are neither able to obtain the assurances we get from the audited financial statement nor able to verify the methodology and procedures adopted by the Management Company for the calculation of the value of units as on December 31, 2024.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 28, 2025

Riaz Ahmad & Company
Chartered Accountants

AKD INVESTMENT MANAGEMENT LIMITED
AKD ISLAMIC DAILY DIVIDEND FUND

CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE SIX-MONTHS PERIOD ENDED
31 DECEMBER 2024

A member of
Nexia
International

Riaz Ahmad & Company
Chartered Accountants

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The Board of Directors
AKD Investment Management Limited
Management Company of AKD Islamic Daily Dividend Fund
2nd Floor Continental Trade Centre
Block 8, Clifton
KARACHI

28 February 2025
Our reference: AKDIML-DDF-251

Dear Board Members

DRAFT CONDENSED INTERIM FINANCIAL STATEMENTS OF AKD ISLAMIC DAILY DIVIDEND FUND FOR THE PERIOD ENDED 31 DECEMBER 2024

We are pleased to enclose four copies of the draft condensed interim financial statements of the AKD Islamic Daily Dividend Fund ("the Fund") for the six-months period ended 31 December 2024 duly initialled by us for identification purpose along with our draft auditors' review report to the unit holders. **We shall be pleased to sign our auditors' review report in its present or amended form after:**

- the enclosed condensed interim financial statements of the Fund have been approved by you and signed by the Chief Executive Officer, one Director nominated for this purpose and the Chief Financial Officer;

- we have seen your specific approval in respect of the following transactions / adjustments incorporated in the books of account:

	Rupees in 000's
- **Remuneration charges of Trustees and related taxes**	**121**
- **Proceeds from sale & maturity of investments**	**505,210**
- **Proceeds on issuance of units**	**171,584**
- **Payment on redemption of units**	**485,701**
- **Transactions with connected persons / related parties** (disclosed in note 18 to the financial statements)	

- we have received copy of other information (including trustee's report) and Shariah Compliance Certificate to be printed with the condensed interim financial statements of the Fund;

- we have seen the minutes of the meeting of the Board of Directors where the condensed interim financial statements of the Fund are placed for approval; and

- we have received the management representation letter duly signed by the Chief Executive Officer and Chief Financial Officer of the Management Company, on the lines of the draft being provided to the management.

We take this opportunity to draw your attention to the following accounting and related matters in addition to those covered in our auditors' review report to the unit holders:

02. RESPONSIBILITIES OF THE MANAGEMENT AND AUDITORS IN RELATION TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

02.1 We have conducted the review of the condensed interim financial statements of the respective Funds in accordance with the International Standard on Review Engagements 2410. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Our responsibility is to express a conclusion on the condensed interim financial statements based on our review. The responsibility for preparation and presentation of condensed interim financial statements in accordance with the approved accounting standards is primarily that of the Management Company. This includes maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the respective Funds and prevention and detection of frauds and irregularities. The review of the condensed interim financial statements does not relieve the management of its responsibilities.

02.2 We inform the Board that unless we have signed the review report to the unit holders on the condensed interim financial statements, the same shall not be deemed to have been reviewed by us.

03. CONTINGENCIES AND COMMITMENTS

03.1 We have been informed by the management that there were no contingencies and commitments as at the reporting date.

04. INDEPENDENCE

04.1 Listed in **Annex "A"** are Riaz Ahmad & Company's key firm-wide policies and processes to maintain independence and objectivity.

04.2 We confirm that in our professional judgment, the Firm is independent within the meaning of regulatory and professional requirements and the objectivity of the audit engagement partner and audit staff has not been compromised.

05. TRANSACTIONS WITH RELATED PARTIES

05.1 We have been informed by the management that there were no significant transactions with related parties other than those disclosed in note 18 in the condensed interim financial statements.

06. FRAUD

06.1 We have been informed by the management that there were no instances or allegations of fraud which they are aware of.

07. SUBSEQUENT EVENTS

07.1 We have been informed by the management that there were no subsequent events other than those disclosed in the condensed interim financial statements.

08. ROLE OF ENGAGEMENT PARTNER

08.1 Name of the Engagement Partner: Junaid Ashraf

08.2 The partner in charge of the engagement has overall responsibility for:

- The review engagement and its performance;
- The auditors' review report that is issued on behalf of the firm; and
- The overall quality on the review engagement.

09. GENERAL

09.1 Finally, we wish to place on record our appreciation for the courtesy and co-operation extended to us by the management in accomplishing our task.

Very truly yours

ANNEX "A"

RIAZ AHMAD & COMPANY
Chartered Accountants

FIRM-WIDE POLICIES AND PROCESSES TO MAINTAIN INDEPENDENCE AND OBJECTIVITY

Riaz Ahmad & Company (RACO) has policies and procedures that instill professional values as part of Firm culture and ensures the highest standards of objectivity, independence and integrity are maintained. Listed below are some of the key policies and processes in place within RACO for maintaining objectivity and independence:

Financial interests	Our partners and client facing (technical) staff are prohibited from investing in any audit client. Our partners and staff are required to confirm their compliance each year with our Firm's independence policies.
Training	Our partners and staff are required to undergo regular mandatory training on our independence and ethical policies and processes.
Consultation	The Firm requires that the audit team consult with a panel of experienced partners on complex accounting and auditing matters.
Non-audit services	Our audit engagement partners must approve any non-audit services offered to their clients. This allows them to: • ensure the objectives of the proposed engagement are not inconsistent with the objectives of the audit of the financial statements; • identify and assess any related threats to our objectivity; and • assess the effectiveness of available safeguards to eliminate such threats or reduce them to an acceptable level. Where no satisfactory safeguards exist we do not carry out the non-audit service.
Ethics	Our code of conduct provides an ethical framework on which we base our decisions and our actions-as individuals and as members of our organization.

Riaz Ahmad & Company
Chartered Accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the unit holders of AKD Islamic Daily Dividend Fund

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of AKD Islamic Daily Dividend Fund (the Fund) as at 31 December 2024, and the related condensed interim income statement, condensed interim statement of comprehensive income, and condensed interim cash flow statement, condensed interim statement of movement in unit holders' fund and notes to the condensed financial statements for the six-months period then ended (here-in-after referred to as "condensed interim financial statements"). The Management Company (AKD Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures of the condensed interim income statement, condensed interim statement of comprehensive income and condensed interim cash flow statement for the three-months period ended 31 December 2024 and 31 December 2023 have not been reviewed, as we are required to review only the cumulative figures for the six-months period ended 31 December 2024.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as at and for the six-months period ended 31 December 2024 are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The condensed interim financial statements of the Fund for the period ended 31 December 2023 and annual financial statements of the Fund for the year ended 30 June 2024 have been reviewed and audited by another firm of chartered accountants who vide their reports dated 7 May 2024 and 8 January 2025 expressed an unmodified conclusion and opinion thereon respectively.

The engagement partner on the review engagement resulting in this independent auditor's review report is Junaid Ashraf.

RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

DATE: 05 MARCH 2025
UDIN: RR202410045Oal0YBegr

AKD ISLAMIC DAILY DIVIDEND FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT 31 DECEMBER 2024

	Note	(Unaudited) 31 December 2024	(Audited) 30 June 2024
		------ (Rupees in '000) ------	
ASSETS			
Bank balances	6	**175,731**	240,028
Investments	7	**49,632**	279,350
Profit receivable	8	**4,498**	18,862
Security deposit and prepayments	9	**459**	545
Preliminary expenses and flotation cost	10	**645**	749
Total assets		**230,965**	539,534
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	11	**1,031**	1,139
Payable to Central Depository Company of Pakistan Limited - Trustee	12	**15**	20
Payable to the Securities and Exchange Commission of Pakistan	13	**17**	46
Accrued expenses and other liabilities	14	**11,408**	5,718
Total liabilities		**12,471**	6,923
NET ASSETS		**218,494**	532,611
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**218,494**	532,611
CONTINGENCIES AND COMMITMENTS	15		
		----(Number of units) ----	
NUMBER OF UNITS IN ISSUE		**4,369,685**	10,652,223
		---------- (Rupees) ----------	
NET ASSETS VALUE PER UNIT		**50.0022**	50.0000

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

AKD ISLAMIC DAILY DIVIDEND FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2024

	Note	Six-months period ended 31 December 2024	Six-months period ended 31 December 2023	Three-months period ended 31 December 2024	Three-months period ended 31 December 2023
		---------- (Rupees in '000) ----------			
INCOME					
Net unrealised appreciation on remeasurement of investments at fair vale through profit or loss		**634**	(1,010)	**962**	(1,010)
Capital gain on disposal of investments		**949**	-	**745**	-
Income from short term sukuks		**5,842**	4,160	**1,529**	2,403
Interest income from GOP Ijara sukuks		**15,080**	4,397	**2,160**	4,397
Profit on bank deposit		**9,604**	15,222	**4,211**	7,372
Total income		**32,109**	22,769	**9,607**	13,162
EXPENSES					
Remuneration of AKD Investment Management Limited - Management Company	11.1	-	-	-	-
Expenses allocated by the management company	11.2	**481**	-	**205**	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	12.1	**106**	83	**35**	38
Sindh sales tax on the remuneration of Trustee	12.2	**15**	9	**5**	5
Fee to the Securities and Exchange Commission of Pakistan	13.1	**145**	90	**49**	52
Amortisation of preliminary expenses and flotation costs	10.1	**104**	104	**52**	52
Auditor's remuneration		**150**	150	**76**	75
Bank and settlement charges		**122**	2	**122**	17
Legal and professional charges		**54**	54	**54**	-
PSX listing fee		**15**	15	**15**	13
Rating fee		**87**	87	**87**	47
Shariah advisory fee		**83**	83	**83**	51
Total expenses		**1,362**	677	**783**	350
Net income for the period before taxation		**30,747**	22,092	**8,824**	12,812
Taxation	16	-	-	-	-
Net income for the period		**30,747**	22,092	**8,824**	12,812
Allocation of net income for the period					
Net income for the period after taxation		**30,747**	22,092	**8,824**	12,812
Income already paid on units redeemed		-	-	-	-
		30,747	22,092	**8,824**	12,812
Accounting income available for distribution					
- Relating to capital gains		**1,583**	-	-	-
- Excluding capital gains		**29,164**	22,092	**8,824**	12,812
		30,747	22,092	**8,824**	12,812

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

AKD ISLAMIC DAILY DIVIDEND FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2024

	Six-months period ended 31 December		Three-months period ended 31 December	
	2024	2023	**2024**	2023
	------------------- (Rupees in '000) -------------------			
Net income for the period	**30,747**	22,092	**8,824**	12,812
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	**30,747**	22,092	**8,824**	12,812

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 **ief Financial Offic** **Director**

AKD ISLAMIC DAILY DIVIDEND FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2024

	Note	Six months period ended		Three-months period ended	
		31 December 2024	31 December 2023	**31 December 2024**	31 December 2023
		(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation		**30,747**	22,092	**7,103**	12,812
Adjustments for non - cash and other items					
Amortisation of preliminary expenses and floatation costs		**104**	104	**52**	52
Net unrealised appreciation on remeasurement of investments at fair vale through profit or loss'		**(634)**	1,010	**(962)**	1,010
Income from short term sukuks		**(5,842)**	(4,160)	**(1,529)**	(2,403)
Income from GOP Ijara sukuk		**(15,080)**	(4,397)	**(2,160)**	(4,397)
Profit on bank deposit		**(9,604)**	(15,222)	**(2,491)**	(7,372)
		(31,056)	(22,665)	**(7,090)**	(13,110)
(Increase) / decrease in assets					
Profit receivable		**-**	-	**-**	-
Security deposit and prepayments		**86**	141	**113**	113
Increase / (decrease) in liabilities					
Payable to AKD Investment Management Limited - Management Company		**(108)**	27	**168**	26
Payable to Central Depository Company of Pakistan Limited - Trustee		**(5)**	9	**(171)**	6
Payable to the Securities and Exchange Commission of Pakistan		**(28)**	28	**(124)**	26
Accrued expenses and other liabilities		**5,690**	1,229	**(291)**	674
		5,549	1,293	**(418)**	732
Income from investment received		**36,855**	1,506	**19,622**	(518)
Profit received on bank deposits		**8,034**	14,439	**21,778**	6,937
Investments - net		**230,352**	(138,601)	**211,005**	(116,600)
Net cash generated from / (used) in operating activities		**280,567**	(121,796)	**252,113**	(109,634)
CASH FLOWS FROM FINANCING ACTIVITIES					
Amount received against issuance of units		**171,584**	541,589	**153,516**	533,564
Amount paid against redemption of units		**(485,701)**	(63,863)	**(266,330)**	(22,708)
Dividend paid		**(30,747)**	(22,092)	**(7,103)**	(12,812)
Net cash (used) / generated from financing activities		**(344,864)**	455,634	**(119,917)**	498,044
Net decrease / increase in cash and cash equivalents during the period		**(64,297)**	333,839	**132,196**	388,410
Cash and cash equivalents at the beginning of the period		**240,028**	195,592	**43,535**	141,021
Cash and cash equivalents at the end of the period	**6**	**175,731**	529,431	**175,731**	529,431

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

AKD ISLAMIC DAILY DIVIDEND FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Half year ended 31 December 2024			Half year ended 31 December 2023		
	Capital value	**Undistributed income**	**Total**	Capital value	Undistributed income	Total
	-------------------------------------(Rupees in '000)-------------------------------------					
Net assets at the beginning of the period	**532,611**	**-**	**532,611**	216,510	-	216,510
Issue of 3,431,480 units (2023: 10,831,783 units)						
Total proceeds on issuance of units	**171,584**	**-**	**171,584**	541,589	-	541,589
	171,584	**-**	**171,584**	541,589	-	541,589
Redemption of 9,714,018 units (2023: 1,277,259 units)						
Total payments on redemption of units	**(485,701)**	**-**	**(485,701)**	(63,863)	-	(63,863)
	(485,701)	**-**	**(485,701)**	(63,863)	-	(63,863)
Total comprehensive income for the period	**-**	**30,747**	**30,747**	-	22,092	22,092
Distribution during the period	**-**	**(30,747)**	**(30,747)**	-	(22,092)	(22,092)
Net assets at end of the period	**218,494**	**-**	**218,494**	694,236	-	694,236
Undistributed income brought forward		**-**			-	
Accounting income available for distribution						
- Relating to capital gains		**1,583**			-	
- Excluding capital gains		**29,164**			22,092	
		30,747			22,092	
Distribution during the period		**(30,747)**			(22,092)	
Undistributed income carried forward		**-**			-	
			Rupees			Rupees
Net assets value per unit at beginning of the period			**50.0000**			50.0000
Net assets value per unit at end of the period			**50.0022**			50.0000

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

AKD ISLAMIC DAILY DIVIDEND FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

AKD Islamic Daily Dividend Fund (the Fund) was established under a Trust Deed executed between AKD Investment Management Limited (AKDIML) 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 10 November 2021 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Initial Public Offering (IPO) of the Fund was made on 17 February 2023. The Fund commenced operations from 18 February 2023. In accordance with the Trust Deed, the first accounting period of the Fund commenced on the date on which the Fund property was first transferred to the Trustee i.e. 18 February 2023.

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

The Fund is an open-ended 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. The Fund is listed on the Pakistan Stock Exchange Limited.

The Fund is categorised as 'Money Market Fund' as per circular 7 of 2008 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.

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

The Management Company has been assigned a quality rating of "AM3++" by the Pakistan Credit Rating Agency Limited (PACRA) dated 27 June 2024 (30 June 2024: "AM3++ dated 27 June 2024). Further, Pakistan Credit Rating Agency Limited (PACRA) has given stability rating of 3-Star/ 4-Star dated 15 August 2024 (30 June 2024: 'AA(f)' dated 09 September 2023) to the Fund.

The AKD Islamic Daily Dividend Fund (the Fund) is established through a Trust Deed (the Deed) registration # KAR/ST/194-2021dated 10 November 2021 under the Sindh Trusts Act, 2020.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial statement has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standards (IAS-34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);

- Provisions of and directives 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 and directives issued under the Act, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

2.1.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of the IAS-34. This condensed interim financial statement does not include all the information and disclosures required in a full set of financial statements and should be read in the conjunction with the annual published financial statements of the Fund for the year ended 30 June 2024.

2.1.3 The Fund commenced its operations from 18 February 2023, therefore, there is no information to present in comparatives.

2.1.4 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements gives a true and fair view of the state of the Fund's affairs as at 31 December 2024.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention unless stated otherwise.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2024.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual financial statements as at and for the year ended 30 June 2024.

Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after 01 July 2025. However, these are not expected to have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5 FINANCIAL RISK MANAGEMENT

The Fund's risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund as at and for the year ended 30 June 2024.

			(Unaudited) 31 December 2024	(Audited) 30 June 2024
6	**BANK BALANCES**	**Note**	**-------- (Rupees in '000)**	**-------**
	Savings account	6.1	**175,731**	240,028

6.1 This carries profit on savings account at the rate 9.5% (30 June 2024: 18.5%) per annum.

7 INVESTMENTS

	Note	(Unaudited) 31 December 2024	(Audited) 30 June 2024
		(Rupees in '000)	
At amortised cost			
Short term sukuks	7.1	-	79,000
At fair value through profit or loss			
GOP Ijara Sukuk	7.2	49,632	200,350
		49,632	279,350

7.1 Short Term Sukuks

Name of investee Company	Rate of return per annum	Issue date	Maturity date	As at 01 July 2024	Purchased during the period	Sold / matured during the period	As at 31 December 2024	Carrying value as at 31 December 2024	Carrying value as a percentage of	
									Investments	Net asset
	(%)			(Number of certificates)				(Rupees in '000)	(%)	
Power Generation and Distribution										
K-Electric Limited	21.69	02 May 2024	01 Nov 2024	75,000	-	75,000	-	-	-	-
K-Electric Limited	21.06	04 June 2024	04 Dec 2024	4,000	-	4,000	-	-	-	-
Total as at 31 December 2024							-	-		
Total as at 30 June 2024							79,000	79,000		

7.2 GOP Ijara sukuk

Security Symbol	Note	As at 01 July 2024	Purchased during the period	Sold / matured during the period	As at 31 December 2024	Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of	
						as at 31 December 2024			Investments	Net assets
		(Number of certificates)				(Rupees in '000)			(%)	
PK01S0708242		1,000	-	1,000	-	-	-	-	-	-
PK01S0910244		1,000	-	1,000	-	-	-	-	-	-
PK01S0708242 / 921000-007		-	230	(230)	-	-	-	-	-	-
PK01F0910241 / 931000-009		-	949	(949)	-	-	-	-	-	-
P01GIS250725		-	4,000	(4,000)	-	-	-	-	-	-
P01GIS150825	7.2.1	-	16,000	(15,999)	1	5	5	-	0.00	0.00
P01GIS201025	7.2.1	-	15,000	(4,300)	10,700	48,993	49,627	634	1	0.23
Total as at 31 December 2024						**48,998**	**49,632**	**634**		
Total as at 30 June 2024						200,090	200,350	260		

7.2.1 Significant terms & Condition of GOP Ijara Sukuks held as at 31 December 2024

Security Symbol	Issue date	Maturity date
P01GIS150825	16 Aug 2024	15 Aug 2025
P01GIS201025	21 Oct 2024	21 Oct 2025

8	PROFIT RECEIVABLE	Note	(Unaudited) 31 December 2024	(Audited) 30 June 2024
			------ (Rupees in '000) ------	
	Profit receivable on:			
	Bank deposits		**4,498**	2,928
	Receivable from GOP Ijara sukuk		**-**	13,198
	Receivable from Short term sukuk		**-**	2,736
			4,498	18,862

9	SECURITY DEPOSIT AND PREPAYMENTS			
	Security deposit with Central Depository Company of Pakistan Limited		**200**	200
	Prepaid fee:			
	Central depository system		**70**	1
	Shariah Advisory		**128**	212
	Listing fee		**16**	-
	Rating		**45**	132
			459	545

10	PRELIMINARY EXPENSES AND FLOTATION COSTS			
	Cost		**1,030**	1030
	Accumulated Amortization			
	Opening balance		**281**	75
	Amortisation of preliminary expenses and flotation costs		**104**	206
	Closing balance		**(385)**	(281)
			645	749

10.1 Preliminary expenses and flotation cost represent expenditure incurred prior to the commencement of operations of the Fund and are being amortised over a period of five years commencing from 18 February 2023.

11	PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
	Payable against formation cost		**863**	1,030
	Expenses allocated by the management company	11.2	**168**	109
			1,031	1,139

11.1 During the period, the Management Company has charged remuneration at the rate of 0.00% (30 June 2024: 0.00%) per annum of the average net assets of the Fund. Therefore, no management fee was charged during the period.

11.2 The Management Company has charged expense at the rate of 0.25% (30 June 2024: 0.25%) per annum of the average net assets of the Fund.

12	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
	Trustee fee	12.1	**13**	17
	Sindh sales tax payable on trustee fee	12.2	**2**	2
	CDS charges		**-**	1
			15	20

12.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund. The remuneration is paid to the Trustee at 0.055% (30 June 2024: 0.055%) per annum of net assets on monthly basis in arrears.

12.2 Sindh sales tax on services has been charged at the rate of 15% (30 June 2024: 13%) on gross value of trustee fee under the provisions of Sindh Sales Tax on Services Act, 2011.

		(Unaudited) 31 December 2024	(Audited) 30 June 2024
13 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN - SECP	**Note**	**-------- (Rupees in '000)**	**--------**
Fee payable to the SECP	13.1	**17**	46

13.1 In accordance with the NBFC Regulation 2008, a Collective Investment Scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP) on annual basis at the rate of 0.075% (30 June 2024: 0.075%) of average Net Assets of Collective Investment Scheme calculated on daily basis.

14 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditor's remuneration payable	**251**	298
Withholding and capital gain tax payable	**11,061**	5,412
Brokerage payable	**96**	-
Other Payable	**-**	8
	11,408	5,718

15 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at 31 December 2024 and 30 June 2024.

16 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealised capital gains to the unit holders in cash. Since the management intends to distribute the income earned by the Fund during the period to the unit holders in cash in the manner as explained above, accordingly, no provision for taxation has been made in this condensed interim financial information. Further, the Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

17 TOTAL EXPENSE RATIO

The total expense ratio of the Fund for the period ended 31 December 2024 is 0.71% (31 December 2023: 0.56%) annualised, which includes 0.08% (31 December 2023: 0.08%) representing government levies on the Fund such as sales taxes and fee to the SECP. This ratio is within the maximum limit of 2.0% prescribed under the NBFC Regulations.

18 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons of the Fund include AKD Investment Management Limited (being the Management Company) and its related entities, Central Depository Company of Pakistan Limited (being the Trustee of the Fund), other Collective Investment Schemes managed by the Management Company, any person or trust beneficially owning (directly or indirectly) ten percent or more of the net assets of the Fund, directors and their close relatives and key management personnel of the Management Company.

Transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed respectively.

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

	(Unaudited) 31 December 2024	(Unaudited) 31 December 2023
18.1 Transactions during the period	**-------- (Rupees in '000)**	**--------**
AKD Investment Management Limited - Management Company		
Formation cost expense	**104**	104
Expenses allocated by the management company - payable	**481**	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	**106**	83
Sindh Sales Tax on trustee fee	**15**	9
CDS charges	**-**	17
Unit holders holding 10% or more of the units in issue		
M3 Technologies Pakistan (Pvt.) Ltd.		
Issuance of units: 2,980,714 units (31 December 2023: NIL)	**149,036**	-
Redemption of units: 2,337,717 units (31 December 2023: NIL)	**116,886**	-
Dividend Paid	**8,105**	-
Askari General Insurance Company Ltd Window Takaful Operations PTF Investment		
Issuance of units: 65,126 units (31 December 2023: 2,417 units)	**3,256**	121
Redemption of units: 600,000 units (31 December 2023: NIL)	**30,000**	-
Dividend Paid	**4,342**	-
Al Ameen Trading Corporation (Private) Limited		
Issue of units : NIL (31 December 2023: 273,000 units)	-	13,650
Dividend paid	-	14
Cherat Cement Company Limited Staff Gratuity Fund		
Issue of units: NIL (31 December 2023: 6,140 units)	-	307
Dividend paid	-	307
Cherat Cement Company Limited Staff Gratuity Fund		
Outstanding units: NIL (31 December 2023: 2,063,143 units)	-	103,157
Muhammad Sami Ullah		
Outstanding units: NIL (31 December 2023: 5,119,846 units)	-	255,992

Transactions during the period	**(Unaudited) 31 December 2024**	(Unaudited) 31 December 2023
	-------- (Rupees in '000)	--------
Askari General Insurance Company Ltd Window Takaful Operations OPF Investment		
Outstanding units: NIL (31 December 2023: 254,163 units)	-	12,708
Abdul Wahab Ghaffar Kodvavi		
Outstanding units: NIL (31 December 2023: 273,103 units)	-	13,655
National Management and Consultancy Services Pvt Limited		
Outstanding units: NIL (31 December 2023: 2,190 Units)	-	109

18.2 Balances outstanding at year end	**(Unaudited) 31 December 2024**	(Audited) 30 June 2024
	-------- (Rupees in '000)	--------
AKD Investment Management Limited - Management Company		
Payable against formation cost	**863**	1,030
Other expenses paid by Management Company on behalf of Fund	**168**	109
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	**13**	17
Sindh Sales Tax payable on trustee fee	**2**	2
CDS charges payable	-	1
Unit holders holding 10% or more of the units in issue		
National Management And Consultancy Services Private Limited		
Outstanding units: NIL (30 June 2024: 5,544,937 units)	-	277,247
M3 Technologies Pakistan Private Limited		
Outstanding units: 2,877,437 units (30 June 2024: 2,234,441 units)	**143,872**	111,722
Askari General Insurance Company Ltd Window Takaful Operations PTF Investment		
Outstanding Units: 520,996 units (30 June 2024: NIL)	**26,050**	-

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).

	(Unaudited) As at 31 December 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
	(Rupees in '000)			
ASSETS				
Investments	**-**	**49,632**	**-**	**49,632**

	(Unaudited) As at 30 June 2024			
ASSETS	**Level 1**	**Level 2**	**Level 3**	**Total**
	(Rupees in '000)			
Investments	-	279,350	-	279,350

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

20 GENERAL

20.1 This condensed interim financial statement is unaudited and have been reviewed by the auditors. Furthermore, the figures for the three months period ended 31 December 2024 in this condensed interim financial statement, has not been subject to limited scope review by the auditors.

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

21 DATE OF AUTHORISATION FOR ISSUE

This 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 | **Chief Financial Officer** | **Director**