Half Yearly Report
December 31, 2025
(Un-audited)

AKD

Islamic 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. 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. Muzzamil Balagamwala, ACA

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 Cash Fund (AKDICF) *(Formerly: AKD Islamic Daily Dividend Fund)* is pleased to present its half yearly report along with the funds' reviewed financial statements for the half year ended December 31, 2025.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)
For the 1HFY26, the return of AKD Opportunity Fund stood at 35.11% compared to the benchmark KSE–100 Index return of 38.55%.

Golden Arrow Stock Fund (GASF)
For the 1HFY26, the return of Golden Arrow Stock Fund stood at 30.92% compared to the benchmark KSE–100 Index return of 38.55%.

AKD Islamic Stock Fund (AKDISSF)
For the 1HFY26, the return of AKD Islamic Stock Fund stood at 24.24% compared to the benchmark KMI–30 Index return of 34.43%.

AKD Index Tracker Fund (AKDITF)
For the 1HFY26, the return of AKD Index Tracker Fund stood at 37.35% compared to the benchmark KSE–100 Index return of 38.55%.

AKD Cash Fund (AKDCF)
For the 1HFY26, the annualized return of AKD Cash Fund stood at 10.09% compared to the benchmark return of 10.66%.

AKD Islamic Income Fund (AKDISIF)
For the 1HFY26, the annualized return of AKD Islamic Income Fund stood at 9.82% compared to the benchmark return of 9.39%.

AKD Aggressive Income Fund (AKDAIF)
For the 1HFY26, the annualized return of AKD Aggressive Income Fund stood at 20.31% compared to the benchmark return of 11.18%.

AKD Islamic Cash Fund (AKDICF) - *(Formerly: AKD Islamic Daily Dividend Fund)*
For the 1HFY26, the annualized return of AKD Islamic Cash Fund *(Formerly: AKD Islamic Daily Dividend Fund)* stood at 11.81% compared to the benchmark return of 9.63%.

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MACRO PERSPECTIVE

The first half of FY26 was marked by a strong financial market rally and continued macroeconomic discipline, despite significant supply-side disruptions caused by flooding. Against this backdrop, the State Bank of Pakistan (SBP) shifted its policy stance from strict consolidation to cautious easing. In December 2025, the SBP reduced the policy rate by 50 bps to 10.50%, reflecting the Monetary Policy Committee's assessment that inflation risks had moderated sufficiently to allow a gradual pivot toward supporting economic activity. Headline inflation remained within the SBP's 5–7% target range, while external price pressures were contained amid relatively stable global commodity markets. Although core inflation exhibited some persistence, inflation expectations appeared anchored. The calibrated easing step signals a balanced approach, supporting recovery while maintaining vigilance against renewed price pressures in an environment of ongoing global uncertainty.

Economic activity gained meaningful traction in the second quarter, offsetting relative softness at the start of the fiscal year. Provisional estimates place real GDP growth at 3.71% in 1QFY26 exceeding earlier expectations, prompting the SBP to revise its FY26 growth forecast upward in the range of 3.75–4.75%. The recovery has evidently been led by the industrial sector, with Large Scale Manufacturing (LSM) sector expanding 4.82% YoY during July–December FY26. With month-on-month growth accelerating to 9.26% in December 2025, indicating strengthening of momentum.

High-frequency indicators point to uneven performance across subsectors. Based on Quantum Index of Manufacturing weights, main contributors in the overall growth of 4.82% as per their weightage were Food (0.09), Tobacco (0.13), Textile (0.26), Garments (1.25), Paper & Board (-0.08), Petroleum Products (0.98), Chemicals (-0.16), Pharmaceuticals (-0.33), Cement (0.66), Iron & Steel Products (-0.20), Electrical Equipment (0.22), Machinery and Equipment (-0.07), Automobiles (1.57), Other Transport Equipment (0.24), and Furniture (-0.08).

The economy's resilience against flood shocks without immediate financial instability was largely supported by fiscal consolidation achieved in the prior fiscal year. Early FY26 data indicate 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), up from PKR 107.1 billion (0.1% of GDP) a year earlier. During July–November FY26, the consolidated fiscal account recorded a surplus of 0.8% of GDP, reversing a marginal deficit of 0.04% in the corresponding period last year, with the primary surplus at 2.8%. The improvement was driven by both revenue growth and expenditure discipline: gross federal revenues rose 7.8%, supported by a 10.2% increase in FBR tax collections and a 4.8% rise in non-tax revenues, while total expenditures declined by 6.2% due to a 6.4% reduction in current expenditure as mark-up payments decline by 21.3%, even as development spending increased modestly by 1.5%. FBR collections during 1HFY26 grew 9.5% to PKR 6,161 billion, with broad-based gains across direct taxes, sales tax, federal excise duty, and customs duties, reflecting strengthened revenue mobilization and prudent expenditure management that reinforced overall macroeconomic stability.

The external account showed relative stability in 1HFY26, with the balance of payments supported by robust remittance inflows. The trade deficit widened to USD 17.58 billion, reflecting higher import

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demand associated with the pickup in industrial activity, resulting in a Current Account Deficit of USD 1.20 billion compared to a surplus of USD 957 million in the same period last year. Workers' remittances remained a key stabilizing factor, rising around 11% YoY to USD 19.74 billion, underscoring the resilience of diaspora inflows. While imports accelerated by 12.96%, exports remained largely flat. Meanwhile, SBP's foreign exchange reserves surpassed USD 16 billion by end of 1HFY26, strengthening external buffers. Supported by these improved reserve levels and timely external inflows, the PKR remained broadly stable against the US dollar. Total liquid foreign exchange reserves stood at USD 20.97 billion at the end of December 2025.

Progress under Pakistan's IMF-supported stabilization framework remained pivotal to macroeconomic stability in 1HFY26. Programme disbursements strengthened foreign exchange reserves—enhanced external buffers and reduced near-term financing risks. Reform-linked inflows reinforced fiscal discipline through adherence to primary-surplus targets and revenue mobilization measures, stabilized the exchange rate, and supported investor confidence, thereby providing policy space for cautious monetary easing as inflationary pressures moderated.

Overall, macroeconomic performance in early FY26 reflects growing resilience despite climate-related disruptions and external uncertainties. Anchored inflation within the 5–7% target range, prudent fiscal and monetary management, and robust remittance inflows have strengthened stability even as the trade deficit widened. With real GDP growth projected at 3.75–4.75%, led by agriculture and manufacturing, sustaining momentum will depend on continued policy consistency, structural reform implementation, and supply-side strengthening to facilitate a durable transition from stabilization to higher growth.

EQUITY MARKET REVIEW

The Pakistani equity market demonstrated strong performance in 1HFY26, with the KSE-100 Index advancing nearly 39% to close at 174,054 points by December 2025. This robust rally was underpinned by macroeconomic stabilization, resilient corporate earnings, a supportive monetary policy environment, and ample domestic liquidity, which collectively reinforced investor confidence and sustained market momentum. Investor sentiment was further strengthened by the conclusion of a landmark trade agreement with the United States, aimed at unlocking Pakistan's offshore oil reserves, signaling long-term structural opportunities for the economy.

Momentum was additionally bolstered by Pakistan's strategic cooperation agreement with Saudi Arabia, outlining multi-million-dollar investments in the energy and healthcare sectors. This included a USD 121 million Saudi Fund for Development (SFD) package for hydropower and healthcare projects, along with a USD 1.2 billion 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, modelled on collective defense frameworks such as NATO, provided a further boost to investor sentiment. Collectively, these developments have strengthened Pakistan's position as an emerging energy and investment hub, reinforced structural fiscal stability, and supported the sustained upward trajectory of the local bourse.

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Investor participation was also strong throughout the first half, with average daily trading volume standing at 1,106 million shares, up by around 70% as compared to 652 million shares in the same period last year. Foreign investors remained net sellers, with net outflows of USD 251.11 million, as compared to a net outflow of USD 186.75 million in the same period last year. Notable selling was observed in the Commercial Banks (USD 69.48 million), Oil and Gas Exploration Companies (USD 43.92 million), Fertilizer (USD 28.32 million), and Power Generation and Distribution (USD 25.25 million). Selling pressure was majorly observed by the Mutual Funds with net purchases of USD 249.58 million, followed by Individuals, Companies, Brokers, and NBFC with net buying of USD 221.05 million, USD 80.93 million, USD 8.54 million, and USD 3.07 million, respectively. However, Insurance Companies and Banks / DFI were major net sellers domestically, with respective divestments of USD 131.95 million and USD 117.55 million, respectively.

Looking ahead, corporate earnings of upcoming quarters are naturally expected to be one of the key determinants of market direction, with highly leveraged sectors positioned to benefit from lower borrowing costs and easing input prices. Early indications suggest margin expansion and stronger profitability, supporting sustained market momentum following a record FY25. The KSE-100, currently trading at a forward P/E of 8.0x (February 4, 2026), reflects a modest re-rating from earlier valuations and is broadly in line with its long-term historical average, indicating a reasonably valued market relative to projected earnings. Market sentiment has shifted from a predominantly liquidity-driven rally toward fundamentals, with investors increasingly focusing on a sustainable economic recovery rather than short-term speculative gains. Nevertheless, risks including a widening trade deficit, geopolitical uncertainties, and the continued implementation of IMF-mandated structural reforms remain critical factors that could influence investor confidence and the trajectory of market momentum.

FIXED INCOME REVIEW

During the first half of FY26, the SBP maintained a disciplined monetary stance, keeping the policy rate at 11% during the earlier part of the period to anchor inflation expectations amid evolving risks. Consistent with this stance, yields of government securities in both primary and secondary markets remained broadly stable during the period, with the yield curve maintaining an upward slope, reflecting normal term premia and market confidence in policy credibility. Following the 50 bps policy rate cut in December 2025, a decline in primary and secondary market yields was observed, indicating improved liquidity conditions and alignment of market rates with the revised monetary policy trajectory.

During the period, SBP conducted a total of thirteen (13) Market Treasury Bills (MTB) auctions, where the government managed to raise ~PKR 8.83 trillion against the auction target of PKR 8.23 trillion. Notably, the weighted average yields for 3, 6, and 12-month MTB were 10.88%, 10.84%, and 11.02%, respectively, significantly down by 544 bps, 512 bps, and 421 bps as compared to 16.32%, 15.96%, and 15.24% during the same period last year. In addition to this, the weighted average yield of 1-month MTB was 10.90% during the first half of FY26.

To further address the need for liquidity, SBP also conducted six (6) auctions of fixed-rate Pakistan Investment Bonds (PIB) and was successful in raising PKR 3.38 trillion. The weighted average yield for 3,

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5, and 10 years fixed-rate PIB decreased by 299 bps, 251 bps, and 147 bps to 11.20%, 11.45%, and 12.03%, respectively as compared to 14.19%, 13.96%, and 13.50% during the same period last year.

In the market for Shariah compliant instruments, a total of six (6) auctions were held for GOP Ijara Sukuk through the Pakistan Stock Exchange. These auctions, covering Variable Rental Rate (VRR), Fixed Rental Rate (FRR) including Zero Coupon, and Fixed Rate Discounted (FRD) instruments, successfully raised PKR 1.21 trillion, against the target of PKR 1.35 trillion.

Looking ahead to the auction target calendars for February through April 2026, the SBP aims to raise PKR 3.35 trillion by issuing 1 to 12-month MTB against the maturing amount of PKR 3.84 trillion. Additionally, the SBP targets to raise PKR 1.35 trillion through 2 to 15-year fixed-rate PIB, and PKR 400 billion 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 500 billion in the two upcoming auctions during January and February 2026.

FUTURE OUTLOOK

As Pakistan approaches the midpoint of FY26, the macroeconomic environment has turned increasingly supportive, underpinned by improving stability and a more accommodative policy stance. The cumulative reduction in the policy rate to 10.50%, alongside headline CPI moderating to 5.61% YoY in December 2025, has helped normalize real interest rates and ease financing conditions. Lower borrowing costs are gradually improving credit accessibility for businesses, supporting working capital requirements and potential capacity expansion. Following an extended tightening cycle, private-sector credit growth is expected to strengthen over the coming quarters, allowing the recent gains in macroeconomic stability to translate more meaningfully into real economic activity.

The equity market outlook remains cautiously constructive. Current valuations largely reflect investor confidence in macroeconomic stabilization achieved through fiscal consolidation and structural reform progress. In the near term, equity performance is likely to moderate compared to the previous quarter's strong momentum, with corporate earnings trends and geopolitical developments serving as key directional drivers. While liquidity conditions are expected to gradually improve, a broad-based market re-rating may require clearer catalysts, particularly in earnings acceleration.

However, sectoral prospects remains differentiated. Cyclical industries are positioned to benefit from strengthening domestic demand and improving financing conditions, whereas commercial banks may experience modest margin compression as easing monetary conditions narrow net interest spreads. On the other hand, domestic political uncertainty and regional geopolitical risks present potential headwinds, reinforcing the need for sustained policy consistency and disciplined reform implementation to preserve investor confidence.

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Overall, while near-term equity upside may be contained, the medium-term outlook remains favorable. Strengthening macroeconomic fundamentals, anchored inflation expectations, fiscal discipline, and continued structural reform momentum provide a supportive foundation for a gradual transition toward more durable and broad-based economic growth.

For and on behalf of the board

Imran Motiwala	**Anum Dhedhi**
Chief Executive Officer	Director

Karachi: February 17, 2026

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FUND INFORMATION

AKD Islamic Income Fund

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

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

Bankers
Bankislami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited
Soneri Bank Limited
U Microfinance Bank Limited
MCB Islamic Bank Limited

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

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

Rating-AKDISIF
PACRA: AA-(f)

REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

AKD ISLAMIC INCOME FUND

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

AKD Islamic Income Fund, an open-end Scheme established under a Trust Deed dated August 30, 2017 executed between AKD Investment Management Limited, as the Management Company and Digital Custodian Company Limited, as the Trustee. The Fund commenced its operations on February 21, 2018.

1. AKD Investment Management Limited, the Management Company of AKD Islamic Income Fund has, in all material respects, managed AKD Islamic Income Fund during the period ended December 31st, 2025 in accordance with the provisions of the following:

    (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;

    (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;

    (iii) the creation and cancellation of units are carried out in accordance with the deed;

    (iv) and any regulatory requirement.

2. Statement on the shortcoming(s) that may have impact on the decision of the existing or the potential unit holders remaining or investing in the Collective Investment Scheme;

    <u>Statement</u>
    No short coming has been addressed during the period ended December 31st, 2025.

3. Disclosure of the steps taken to address the shortcoming(s) or to prevent the recurrence of the shortcoming(s).

Disclosure of the steps

We have critically examine the fund in accordance with circulars, directives, NBFC Regulations 2008 and its constitutive documents. However, no short coming has been addressed.

4 Trustee's opinion regarding the calculation of the management fee, CIS Monthly Fee Payable to the Commission and other expenses in accordance with the applicable regulatory framework.

Trustee Opinion

"The Management fee, CIS monthly fee payable to the Commission and other expenses has been accurately calculated in accordance with the NBFC Regulations, 2008 and its constitutive documents"**.**

Dabeer Khan
Manager Compliance
Digital Custodian Company Limited

Karachi: February 24, 2026

Riaz Ahmad & Company
Chartered Accountants

AKD Investment Management Limited
AKD Islamic Income Fund

Condensed Interim Financial Information

For The Six-Months Period Ended
31 December 2025

A member of Nexia International

Riaz Ahmad & Company
Chartered Accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the unit holders of AKD Islamic Income 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 Income Fund (the Fund) as at 31 December 2025, 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 interim 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.

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 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

Pursuant to the requirement of Section 237(1)(b) of the Companies Act, 2017, only cumulative figures for the six-months period, presented in second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss and other comprehensive income for the three-months period ended 31 December 2025 have not been reviewed by us.

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

RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

DATE: 27 FEBRUARY 2026
UDIN: RR202510045rb92aqQ6M

AKD ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (Un-Audited)
AS AT 31 DECEMBER 2025

	Note	(Unaudited) December 2025	(Audited) June 2025
		---------- (Rupees in 000) ---------	
ASSETS			
Bank balances	5	**807,538**	370,730
Investments	6	**1,252,649**	989,477
Profit receivable	8	**30,008**	29,264
Deposits, prepayments and other receivables	9	**5,824**	3,634
Receivable against sale of Investments		**8**	-
Receivable against sale / conversion of units		**237**	56,523
Total assets		**2,096,264**	1,449,628
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	10	**2,845**	3,428
Payable to the Digital Custodian Company Limited -Trustee	11	**1,168**	136
Payable to Securities and Exchange Commission of Pakistan	12	**133**	84
Accrued expenses and other liabilities	13	**5,916**	37,354
Advance against issuance of shares		-	100,000
Payable against Purchase of Investments		**21,507**	-
Payable against redemption / conversion of units		**32,009**	1,988
Total liabilities		**63,578**	142,990
NET ASSETS		**2,032,686**	1,306,638
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**2,032,686**	1,306,638
CONTINGENCIES AND COMMITMENTS	14		
		------ (Number of units) ------	
NUMBER OF UNITS IN ISSUE		**37,533,549**	25,321,880
		-------- (Rupees) ---------	
NET ASSET VALUE PER UNIT		**54.1565**	51.6011

The annexed notes from 1 to 20 form an integral part of this condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

CHIEF EXECUTIVE OFFICER	**DIRECTOR**	**CHIEF FINANCIAL OFFICER**

AKD ISLAMIC INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2025

	Note	Six Months Period Ended		Three Months Period Ended	
		31 December		31 December	
		2025	2024	2025	2024
		(Rupees in 000)			
INCOME					
Capital gain on sale of investments classified as 'at fair value through profit or loss'		**4,746**	3,009	**3,133**	459
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'at fair value through profit or loss'	7	**(192)**	20,486	**(3,274)**	15,609
Income from sukuk certificates		**31,377**	76,794	**139,280**	34,669
Interest income from GoP Ijarah		**21,128**	-	**9,440**	-
Profit on Placements		**11,874**	-	**9,440**	-
Amortization of discount on Commercial papers		**707**	24,131	**707**	14,516
Dividend income		**3,701**	12,554	**2,830**	9,540
Other income		**212**	-	**212**	-
Profit on bank deposits		**32,325**	22,321	**23,231**	5,365
Total income		**105,878**	159,295	**185,000**	80,158
EXPENSES					
Remuneration of the AKD Investment Management Limited - Management Company	10.1	**9,430**	6,476	**5,808**	3,543
Sindh sales tax on remuneration of the Management Company	10.2	**1,415**	936	**871**	531
Expenses allocated by Management Company	10.3	-	1,984	-	886
Remuneration of Digital Custodian Company Limited - Trustee	11.1	**1,132**	1,021	**697**	531
Sindh sales tax on the remuneration of trustee	11.2	**158**	152	**93**	80
Annual fee to the Securities and Exchange Commission of Pakistan	12.1	**707**	638	**435**	332
Auditor's remuneration		**82**	127	**63**	63
Settlement and bank charges		-	34	-	34
Brokerage fee		**1,067**	232	**296**	80
Fee and subscription		**63**	336	**48**	287
Legal and professional charges		**71**	110	**54**	54
Amortization of premium on government securities		**1,525**	-	**749**	-
Shariah Advisory Fee		**107**	-	**81**	-
Charity		-	1,533	-	1,433
Total expenses		**15,757**	13,579	**9,195**	7,854
Net income for the period before taxation		**90,121**	145,716	**175,806**	72,304
Taxation	16	-	-	-	-
Net income for the period after taxation		**90,121**	145,716	**175,806**	72,304
Allocation of net income for the period					
Net income for the period after taxation		**90,121**	145,716	**175,806**	72,304
Income already paid on units redeemed		**(23,029)**	(43,143)	-	(31,562)
		67,092	102,573	**175,806**	40,742
Accounting income available for distribution					
Relating to capital gains		**4,554**	23,495	-	16,068
Excluding capital gains		**62,538**	79,078	**175,806**	24,674
		67,092	102,573	**175,806**	40,742

The annexed notes from 1 to 20 form an integral part of this condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

CHIEF EXECUTIVE OFFICER | **DIRECTOR** | **CHIEF FINANCIAL OFFICER**

AKD ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2025

	Six Months Period Ended 31 December		Three Months Period Ended 31 December	
	2025	2024	2025	2024
	(Rupees in '000)			
Net income for the period after taxation	**90,121**	145,716	**175,806**	72,304
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	**90,121**	145,716	**175,806**	72,304

The annexed notes from 1 to 20 form an integral part of this condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

AKD ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2025

	Note	Six Months Period Ended 31 December 2025	2024
		---- (Rupees in '000) ----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		**90,121**	145,716
Adjustments for non cash and other items:			
Dividend income		**(3,701)**	(12,554)
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'at fair value through profit or loss'		**192**	(20,486)
		86,612	112,676
(Increase) / decrease in assets			
Profit and dividend receivable		**(744)**	8,590
Deposits, prepayments and other receivables		**(2,190)**	125
Receivable against sale of investments		**(8)**	-
Receivable against sale / conversion of units		**56,286**	(12,137)
Net decrease / (increase) in assets during the period		**53,344**	(3,422)
(Decrease) / increase in liabilities			
Payable to AKD Investment Management Limited - Management Company		**(584)**	103
Payable to the Digital Custodian Company Limited -Trustee		**1,032**	221
Payable to Securities and Exchange Commission of Pakistan		**49**	10
Accrued expenses and other liabilities		**(31,438)**	(19,517)
Payable against purchase of Investment		**21,507**	-
Dividend payable		**-**	(2,639)
Advance against Issuance on shares		**(100,000)**	-
Payable against redemption / conversion of units		**30,021**	3,387
Net (decrease) in liabilities		**(79,413)**	(18,435)
Dividend received		**-**	-
Investment - net		**(263,362)**	(145,242)
Net cash flows used in operating activities		**(202,819)**	(54,423)
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issue of units		**5,045,346**	1,441,970
Dividend received		**3,701**	12,554
Payment against redemption of units		**(4,409,419)**	(1,697,464)
Net cash generated / (used in) from financing activities		**639,628**	(242,940)
Net increase / (decrease) in cash and cash equivalents		**436,809**	(297,363)
Cash and cash equivalents at beginning of the period		**370,730**	701,259
Cash and cash equivalents at end of the period	5	**807,538**	403,896

The annexed notes from 1 to 20 form an integral part of this condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

AKD ISLAMIC INCOME FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2025

	Six Months Period Ended 31 December 2025			Six Months Period Ended 31 December 2024		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period	1,277,240	29,398	1,306,638	1,685,212	22,402	1,707,614
Issue of 95,223,793 (2024: 26,500,524) units						
- Capital value (at ex-net asset value per unit at the beginning of period)	4,913,652	-	4,913,652	1,360,926	-	1,360,926
- Element of income	131,693	-	131,693	81,044	-	81,044
Total proceeds on issuance of units	5,045,346	-	5,045,346	1,441,970	-	1,441,970
Redemption of 83,012,124 (2024: 31,251,446) units						
- Capital value (at ex-net asset value per unit at the beginning of period)	(4,283,517)	-	(4,283,517)	(1,604,906)	-	(1,604,906)
- Element of loss	(102,873)	(23,029)	(125,902)	(49,415)	(43,143)	(92,558)
Total payments on redemption of units	(4,386,390)	(23,029)	(4,409,419)	(1,654,321)	(43,143)	(1,697,464)
Total comprehensive income for the period	-	90,121	90,121	-	145,716	145,716
Distribution during the period	-	-	-	-	-	-
	-	90,121	90,121	-	145,716	145,716
Net assets at end of the period	1,936,196	96,490	2,032,686	1,472,861	124,975	1,597,836
Undistributed income brought forward						
- Realised income		17,319			29,569	
- Unrealised (loss) / Income		12,079			(7,167)	
		29,398			22,402	
Accounting income available for distribution						
- Relating to capital gains		4,554			23,495	
- Excluding capital gains		62,538			79,078	
Net profit for the period		67,092			102,573	
Distribution during the period		-			-	
Undistributed income carried forward		96,490			124,975	
Undistributed income carried forward						
- Realised income		96,682			104,489	
- Unrealised gain		(192)			20,486	
		96,490			124,975	
Net assets value per unit at beginning of the period		56.0634			51.3546	
Net assets value per unit at end of the period		54.1565			56.0634	

The annexed notes from 1 to 20 form an integral part of this 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 Islamic Income Fund (the Fund) was established under a Trust Deed, executed between AKD Investment Management Limited (AKDIML) as the Management Company and Digital Custodian Company limited as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on 30 May 2017. The Initial Public Offering (IPO) of the Fund was made during the period from 19 February 2018 to 20 February 2018 and the Fund commenced operations from 21 February 2018. In accordance with the Trust Deed, the first accounting period of the Fund commenced on the date on which the Fund property was first transferred to the Trustee i.e. 19 February 2018.

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

The Fund is an open-ended collective investment scheme and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

The Fund is categorised as an open ended Shariah Compliant (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.

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

The Management Company has been assigned an asset manager rating of 'AM2' by the Pakistan Credit Rating Agency Limited (PACRA) on May 07, 2025 (June 30, 2025: 'AM2' dated May 07, 2025). Furthermore, the Fund has been assigned a stability rating of 'AA-(f)' by PACRA on November 19, 2025 (June 30, 2025: 'AA-(f)' dated July 18, 2025).

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial statements 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;
- Provisions of and directives issued under the Companies Act, 2017, 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 requirement of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and 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: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended 30 June 2025.

2.1.3 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 this condensed interim financial statements gives a true and fair view of the state of the Fund's affairs as at 31 December 2025.

2.2 Basis of measurement

This financial statements has been prepared under the historical cost convention, except that investments, other than commercial papers, are measured at fair value.

2.3 Functional and presentation currency

This condensed interim financial statements are presented in Pakistani Rupees which is the functional and presentation currency of the Fund and has been rounded off to the nearest thousand rupees, unless otherwise specified.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies and methods of computation adopted in preparation of this condensed interim financial statements are same as those applied in preparation of audited financial statements of the Fund as at and for the year ended 30 June 2025.

4. RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

4.1 The preparation of this condensed interim financial statements in conformity with accounting and reporting standards and requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the annual audited financial statements as at and for the year ended 30 June 2025

4.2 There are certain amended existing standards and interpretations on accounting and reporting standards that are effective during the period but are considered not to be relevant to the Fund's operations and do not have any significant impact on the Fund's operations and therefore not disclosed in this condensed interim financial statements.

4.3 The Fund's risk management objective and policies are consistent with those disclosed in the annual audited financial statements of the Fund as at and for the year ended 30 June 2025

	Note	(Unaudited) December 2025	(Audited) June 2025
5. BANK BALANCES		------ (Rupees in '000) ------	
Bank Deposit-Clean Placement		-	110,000
Savings accounts	5.1	**807,538**	260,730
		807,538	370,730

5.1 Savings accounts carry mark-up ranging between 8% to 11.75% (30 June 2025: 10% to 20.5%) per annum.

6. INVESTMENTS

	Note	(Unaudited) December 2025	(Audited) June 2025
At fair value through profit or loss			
- Sukuk certificates	6.1	**529,207**	145,456
- Government securities	6.2	**328,653**	590,021
- Investments in Ordinary shares	6.3	**164,789**	-
		1,022,649	735,477
At amortised cost			
- Certificate of Mudaraba	6.4	**230,000**	-
- Commercial paper - unlisted / short term sukuk (STS).		-	254,000
		1,252,649	989,477

6.1 Sukuk certificates

Name of investee company	Rate of return per annum	As at 01 July 2025	Purchased during the year	Sold / Matured during the year	As at 31 December 2025	Carrying value as at 31 December 2025	Market value as at 31 December 2025	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	--- % ---	---------------- Number of certificates --------------				--------------- (Rupees in '000) ------------			----------%--------	
Listed										
TPL Trakker Limited	13.63%	115	-	-	115	6,500	6,506	6	0.32%	0.52%
TPL Corporation Limited	12.90%	1,150	-	-	1,150	57,500	57,500	-	2.83%	4.59%
Daewoo Pakistan	13.15%	-	50	-	50	50,000	50,000	-	2.46%	3.99%
Mughal Iron & Steels Industries Limited	12.42%	10	-	-	10	627	625	(2)	0.03%	0.05%
Unlisted										
Citi Pharma Limited	11.95%	-	45	-	45	45,000	45,000	-	2.21%	3.59%
Ismail Industries Limited	11.11%	-	75	-	75	75,000	75,000	-	3.69%	5.99%
Pakistan International Airlines Holdings Limited	12.00%	10,000	-	-	-	47,575	47,576	-	2.34%	3.80%
Thatta Cement Company Limited	13.67%	-	185	-	185	185,000	185,000	-	9.10%	14.77%
Pakistan Telecommunication Company Limited	10.74%	-	62	-	62	62,000	62,000	-	3.05%	4.95%
			Total as at 31 December 2025			**529,202**	**529,207**	**4**		
			Total as at 30 June 2025			139,280	145,456	6,174		

6.1.1 Significant terms and conditions of sukuk certificates are as follows:

Name of investee company	Face value per certificate	Redeemed face value per certificate	Markup rate	Issue date	Maturity date	Secured / Unsecured	Rating
	---------------------- (Rupees) ----------------------						
Listed							
TPL Trakker Limited	1,000,000	277,778	3 months KIBOR + 300 bps	30-Mar-21	30-Mar-26	Secured	A+
TPL Corporation Limited	100,000	49,990	3 months KIBOR + 225 bps	23-Jun-22	23-Jun-27	Secured	AA-
Mughal Iron & Steels Industries Limited	1,000,000	312,500	3 months KIBOR + 130 bps	2-Mar-21	2-Mar-26	Secured	A+
Daewoo Pakistan	1,000,000	1,000,000	6 months KIBOR + 250 bps	30-Dec-25	30-Jun-26	Un-secured	A-1
Unlisted							
Citi Pharma Limited	1,000,000	1,000,000	3 months KIBOR + 80 bps	24-Jul-25	2-Mar-26	Secured	A+
Ismail Industries Limited	1,000,000	1,000,000	3 months KIBOR + 5 bps	12-Aug-25	12-Feb-26	Un-secured	A-1
Thatta Cement Company Limited	1,000,000	1,000,000	6 months KIBOR + 250 bps	13-Oct-25	13-Oct-29	Secured	AA-
Pakistan Telecommunication Company Limited	1,000,000	1,000,000	3 months KIBOR + 5 bps	18-Sep-25	18-Mar-26	Un-secured	A-1+

6.2

Name of Investee Company	Rate of return per annum	As at 01 July 2025	Purchased during the year	Sold / Matured during the year	As at 31 December 2025	Carrying value as at 31 December 2025	Market value as at 31 December 2025	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	--- % ---	--------- Face Value Rupees in '000 ---------				----------- (Rupees in '000) -----------			-------- % --------	
GOP Ijara Sukuk	10.16-12.53%	945,000	247,105	855,905	336,200	**329,141**	**328,653**	(488)	16.17%	26.24%
			Total as at 31 December 2025			**329,141**	**328,653**	**(488)**		
			Total as at 30 June 2025			584,118	590,021	5,903		

6.2.1 **Significant terms and conditions of GoP Ijarah Sukuks held as at 31 December 2025:**

Name of Investee Company	Security Symbol	Issue Date	Maturity Date
GOP Ijara Sukuk	P05VRR280629	28/Jun/2024	28/Jun/2029
GOP Ijara Sukuk	P03FRR211027	21/Oct/2024	21/Oct/2027
GOP Ijara Sukuk	P03VRR280627	28/Jun/2024	28/Jun/2027
GOP Ijara Sukuk	P05FRR211029	21/Oct/2024	21/Oct/2029
GOP Ijara Sukuk	P05VRR100529	10/May/2024	10/May/2029

6.3 **Listed equity securities (spread transactions)**

Name of investee company	As at 01 July 2025	Purchased during the year	Sold / disposed	As at 31 December 2025	Carrying Value	Market Value	Unrealized Gain/loss	Net Asset of the fund	Total Investment of the fund
	---------------- Number of shares			----------------	---------------- (Rupees in '000)		------------	----------%--------	
Automobile Assembler									
Ghandhara Automobiles Limited	-	5,000	5,000	-	-	-	-	0.00%	0.00%
Chemical									
Engro Polymer & Chemicals Limited	-	29,500	19,500	10,000	346	326	(20)	0.02%	0.03%
Power Generation & Distribution									
The Hub Power and Company	-	783,500	575,000	208,500	45,906	46,158	252	2.27%	3.68%
Transport									
Pakistan International Bulk Terminal	-	2,800,500	978,000	1,822,500	32,833	34,318	1,485	1.69%	2.74%
Pharmaceuticals									
The Searl Company Limited	-	908,500	798,500	110,000	12,887	13,197	310	0.65%	1.05%
Citi-Pharma	-	771,000	720,500	50,500	4,292	4,272	(20)	0.21%	0.34%
Cable and Electrical Goods									
Pak Electron Limited	-	2,450,500	2,359,500	91,000	5,012	5,218	206	0.26%	0.42%
Engineering									
International Industries Limited	-	10,500	10,500	-	-	-	-	0.00%	0.00%
Refinery									
Pakistan Refinery Limited	-	237,000	237,000	-	-	-	-	0.00%	0.00%
Attock Refinery Limited	-	129,500	129,500	-	-	-	-	0.00%	0.00%
Cnergyico PK NC	-	20,000	20,000	-	-	-	-	0.00%	0.00%
Technology & Communication									
Systems Limited	-	284,500	284,500	-	-	-	-	0.00%	0.00%
NetSol Technologies Limited	-	3,500	3,500	-	-	-	-	0.00%	0.00%
INV. BANKS / INV. COS. / SECURITIES COS									
Engro Holdings Limited	-	48,500	48,500	-	-	-	-	0.00%	0.00%
Textile Composite									
Nishat Mills	-	179,500	158,500	21,000	3,735	3,708	(27)	0.18%	0.30%

Name of investee company	As at 01 July 2025	Purchased during the year	Sold / disposed	As at 31 December 2025	Carrying Value	Market Value	Unrealized Gain/loss	Net Asset of the fund	Total Investment of the fund
	---------------- Number of shares ----------------				-------------- (Rupees in '000) -----------			----------%--------	
Food and Personal Care									
Treet Corporation	-	831,000	415,500	415,500	12,963	13,121	158	0.65%	1.05%
Unity Foods Ltd	-	5,500	5,500	-	-	-	-	0.00%	0.00%
Cement									
Power Cement Limited	-	100,000	100,000	-	-	-	-	0.00%	0.00%
Pioneer Cement	-	40,000	40,000	-	-	-	-	0.00%	0.00%
Fauji Cement Company Limited	-	266,500	266,500	-	-	-	-	0.00%	0.00%
Maple Leaf Cement	-	229,500	60,000	169,500	20,809	19,904	(905)	0.98%	1.59%
Lucky Cement Limited	-	1,000	1,000	-	-	-	-	0.00%	0.00%
D.G Khan Cement	-	29,500	-	29,500	6,863	6,782	(81)	0.33%	0.54%
Fertilizer									
Fauji Fertilizer Company Limited	-	500	500	-	-	-	-	0.00%	0.00%
Oil & Gas Exploration Companies									
Pakistan Petroleum Limited	-	170,500	170,500	-	-	-	-	0.00%	0.00%
Oil & Gas Development Company Limited	-	117,500	117,500	-	-	-	-	0.00%	0.00%
Mari Energies Limited	-	38,000	38,000	-	-	-	-	0.00%	0.00%
Oil & Gas Marketing Companies									
Sui Southern Gas Company Limited	-	2,279,000	2,062,000	217,000	7,383	7,795	413	0.38%	0.62%
Pakistan State Oil	-	172,500	147,500	25,000	11,468	11,854	386	0.58%	0.95%
Sui Northern Gas Pipelines Limited	-	394,500	394,500	-					
Total as at 31 December 2025 before the impact of mark to market on future contracts					164,497	166,653	2,157		
Unrealised loss on mark to market of future contracts					-	(1,865)	(1,865)		
Total as at 31 December 2025 after the impact of mark to market on future contracts					164,497	164,789	292		
Total as at 30 June 2025					-	-	-		

6.4 **Certificate of Mudaraba**

Name of investee company	Rate of return per annum	As at 01 July 2025	Purchased during the year	Sold / Matured during the year	As at 31 December 2025	Carrying value as at 31 December 2025	Market value as at 31 December 2025	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	--- % ---	--------------- Number of Certificates --------------				-------------- (Rupees in '000) -----------			----------%--------	
Zarai Taraqiati Bank Ltd	10.5	-	110,000	110,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.5	-	95,000	95,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.5	-	120,000	120,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.5	-	130,000	130,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.5	-	130,000	130,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.5	-	50,000	50,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.5	-	55,000	55,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.5	-	90,000	90,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.5	-	90,000	90,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.5	-	140,000	140,000	-	-	-	-	0.00%	0.00%

Name of investee company	Rate of return per annum	As at 01 July 2025	Purchased during the year	Sold / Matured during the year	As at 31 December 2025	Carrying value as at 31 December 2025	Market value as at 31 December 2025	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	--- % ---	--------------- Number of Certificates			--------------	-------------- (Rupees in '000)		------------	----------%--------	
Zarai Taraqiati Bank Ltd	10.65	-	625,000	625,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.65	-	625,000	625,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.6	-	300,000	300,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.6	-	90,000	90,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.6	-	90,000	90,000	-	-	-	-	0.00%	0.00%
Zarai Taraqiati Bank Ltd	10.6	-	150,000	150,000	-	-	-	-	0.00%	0.00%
OLP	11.1	-	230,000	-	230,000	230,000	230,000	-	11.32%	18.36%
Total as at 31 December 2025						**230,000**	**230,000**	-		
Total as at 30 June 2025						-	-	-		

6.5 **Commercial paper - Unlisted / short term sukuk (STS)**

Name of investee company	As at 01 July 2025	Purchased during the year	Matured/ disposed during the year	As at 31 December 2025	Carrying Cost	Market value	Unrealised appreciation /(diminution)	Market value as percentage of net assets	Market value as percentage of total investment
	Number of Certifcates			-------------- (Rupees in '000)			------------	-------------- (%) --------------	
Lucky Electric Power Co. Limited	17,000	-	17,000	-	-	-	-	0.00%	0.00%
K-Electric Limited	125,000	-	125,000	-	-	-	-	0.00%	0.00%
Ismail Industries Limited	32,000	-	32,000	-	-	-	-	0.00%	0.00%
K-Electric Limited	80,000	-	80,000	-	-	-	-	0.00%	0.00%
Total as at 31 December 2025					-	-			
Total as at 30 June 2025					254,000	254,000			

7. Net unrealised (diminution) /appreciation on re-measurement of investments classified as 'at fair value through profit or loss'	Note	(Unaudited) December 2025	(Audited) June 2025
		----- (Rupees in '000) -----	
Market value of investments			
- Sukuk certificates	6.1	**529,207**	145,455
- Government securities	6.2	**328,653**	590,022
- Listed Equity Security		**166,653**	-
		1,024,512	735,476
Less: Carrying amount of investments			
- Sukuk certificates	6.1	**529,202**	139,279
- Government securities	6.2	**329,141**	584,118
- Listed Equity Security	6.3	**166,361**	-
		1,024,704	(723,397)
		(192)	12,079

8. PROFIT RECEIVABLE

Profit receivable on:		
- Sukuk certificates	**15,850**	4,062
- Commercial paper / Short Term Sukuks (STS)	**2**	5,755
- GoP Ijara sukuk	**4,613**	18,745
- Clean Placements	-	32
- Certificate of Musharka	**2,868**	-
- Bank deposits	**6,676**	670
	30,008	29,264

9. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Security deposits with:		
- National Clearing Company of Pakistan Limited	**4,773**	2,500
- Central Depository Company of Pakistan Limited	**100**	100
Prepaid Printing	**64**	-
Prepaid shariah advisor fee	**136**	344
Prepaid listing fee	**16**	-
Dividend Receivable	**4**	-
Prepaid rating fee	**137**	-
Advance tax	**594**	690
	5,824	3,634

9.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 151 and 150. However, uptill period ended 31 December 2020, withholding tax on profit on debt and dividend paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) /2008-VOL.II - 66417- R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not presented before him by the withholder.

10. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management fee Payable	10.1	**1,779**	2,005
Sindh sales tax payable on management fee	10.2	**267**	300
Expenses allocated by the management company	10.3	**515**	515
Formation cost		**184**	184
Sales load payable		**100**	424
		2,845	3,428

10.1 The Management Company charged remuneration at the rate of 1% (30 June 2025: 0.016% to 1%) per annum of the daily average net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

10.2 Sindh sales tax at the rate of 15% (30 June 2025: 15%) on gross value of management fee is charged under the provisions of Sindh sales tax on Services Act, 2011.

10.3 The Management Company has charged expenses at the rate of Nil% (30 June 2025: 1%) per annum of the daily average annual net assets of the Fund.

		(Unaudited) December 2025	(Audited) June 2025
11. PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE	**Note**	----- (Rupees in '000) -----	
Trustee fee Payable	11.1	**836**	116
Sindh sales tax payable on trustee fee	11.2	**331**	20
		1,168	136

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

The tariff structure applicable to the Fund is as follows:

Net Assets	Tariff per annum
Upto Rs 1 billion	0.12% of Net Assets
Exceeding Rs 1 billion and up to Rs.5 billion	Rs. 1.2 million plus 0.065% per annum of daily average net assets of the Fund exceeding Rs. 1 billion.

11.2 Sindh sales tax at the rate of 15% (30 June 2025: 15%) on gross value of management fee under the provisions of Sindh sales tax on Services Act, 2011.

12. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN- SECP

Annual fee payable to SECP	12.1	**133**	84

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

13. ACCRUED AND OTHER LIABLITIES

Auditor's remuneration Payable		**215**	286
Legal and Professional Charges Payable		**-**	-
Brokerage payable		**1,418**	350
NCC fee payable		**63**	-
Withholding tax payable		**942**	33,965
Others		**619**	74
Sales load payable		**-**	20
Charity payable	13.1	**2,172**	2,172
Payable against time barred cheques		**487**	487
		5,916	37,354

13.1 According to the instructions of the Shariah Advisor, income earned by the Fund from prohibited sources should be donated to charitable purposes. However no payment was made during the year.

14. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 December 2025 (30 June 2025: Nil).

15. TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund is 1.67% (annualised) (30 June 2025: 1.49%) which includes 0.25% (30 June 2025: 0.21%) representing government levies on the Fund such as sales tax, annual fees to SECP etc. This ratio is within the maximum limit of 2.5% (30 June 2025: 2.5%) prescribed under NBFC Regulations of collective investment scheme categorised as a "Shariah Compliant Income Scheme".

16. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed 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 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 statement. 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. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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 / related parties are in the normal course of business, and are carried out on agreed terms at contracted rates.

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	
17.1 Transactions during the period	Note	2025	2024
		------ (Rupees in '000) ------	
AKD Investment Management Limited - Management Company			
Remuneration to Management Company		**9,430**	6,476
Sindh sales tax on Management remuneration		**1,415**	936
Expenses allocated by the Management Company		-	1,984
Sales load		-	-
Sales load payable		**186**	-
Issue of 435,547 units (31 December 2024: Nil units)		**23,366**	-
Redemption of 350,675 Units (31 December 2024: Nil units)		**18,700**	-
Digital Custodian Company Limited - Trustee			
Trustee fee		**1,132**	1,021
Sindh sales tax on trustee fee		**158**	152
AKD INVESTMENT MANAGEMENT LTD STAFF PROVIDENT FUND			
Issue of 6,817 Units (31 December 2024: Nil units)		**358**	-
AQEEL KARIM DHEDHI SECURITIES (PVT) LTD.			
Issue of 56,508,881 Units (31 December 2024: Nil units)		**3,000,000**	-
Redemption of 56,508,881 Units (31 December 2024: Nil units)		**3,006,568**	-
Key Management Personnel and spouse			
Issue of 782,650 Units (31 December 2024: 13,538 units)		**41,260**	736
Redemption of 810,721 Units (31 December 2024: 11,912 units)		**22,806**	634

	Note	(Unaudited) 31 December 2025	2024
		------ (Rupees in '000) ------	
Toqir Hussain - Key Management Personnel of Associated Company			
Issue of Nil (31 December 2024: 173 units)		-	9
Redemption of 379 Units (31 December 2024: Nil units)		**20**	-
Spouse of Khalid Mehmood			
Issue of 717 Units (31 December 2024: Nil units)		**38**	-
Spouse of the Director and Chief Investment Officer of the Management Company			
Issue of Nil Units (31 December 2024: 92,559 unit)		-	4,850
Redemption of 96,260 Units (31 December 2024: 222 units)		**5,000**	3,127
Khalid Mahmood - Director of the Management Company			
Issue of Nil Units (31 December 2024: 504,937 unit)		-	28,096
Redemption of Nil Units (31 December 2023: 243,915 units)		-	13,525
Close relative of Director of the Management Company			
Issue of Nil Units (31 December 2024: 81,343 unit)		-	8,416
Redemption of Nil Units (31 December 2024: 78,315 units)		-	4,055
Askari General Insurance Co Limited - Connected person due to holding of more than 10% units.			
Issue of 4,676,969 Units (31 December 2024:5,720,377 units)		**250,000**	5,720
Redemption of 1,858,402 Units (31 December 2024: 3,393,385 units)		**100,000**	109,000
Lubna Najmul Hussain Dossa - Connected person due to holding of more than 10% units.			
Issue of 2,072,587 Units (31 December 2024: 3,099,312 units)		**110,000**	7,195
Redemption of 111,303 (31 December 2024: Nil units)		**6,000**	-
Dinaz Cassim - Connected person due to holding of more than 10% units.			
Issue of 2,635,521 Units (31 December 2024: 167,460 unit)		**140,000**	8,895
Redemption of Nil Units (31 December 2024: 3,071,732 units)		-	155,000
Durrain Cassim - Connected person due to holding of more than 10% units.			
Issue of 2,955,803 Units (31 December 2024: Nil unit)		**157,415**	-
Redemption of Nil Units (31 December 2024: 3,071,732 units)			-

Balances outstanding at the period / year end	Note	Unaudited 31 December 2025	Audited 30 June 2025
		------------ (Rupees in '000) ------------	
AKD Investment Management Limited - Management Company			
Remuneration payable		**1,779**	2,005
Sindh sales tax on Management remuneration		**267**	300
Payable against expenses allocated by the Management Company		**515**	515
Payable against formation cost		**184**	184
Sales load payable		**100**	424
Outstanding 91,903 (30 June 2025 : 214 units)		**4,977**	11
Digital Custodian Company Limited - Trustee			
Remuneration payable		**836**	116
Sindh sales tax on trustee remuneration payable		**331**	20
AKD INVESTMENT MANAGEMENT LTD STAFF PROVIDENT FUND			
Units Held 6,817 (30 June 2025: 6,817)		**369**	-

	Note	Unaudited 31 December 2025	Audited 30 June 2025
		------------ (Rupees in '000) ------------	
M3 Technologies Pakistan Private Limited Employees Provident Units Held 297,498 (30 June 2025: 297,498)		**16,111**	15,351
Spouse of director and chief investment officer Units held 326 (30 June 2025 : 96,586 units)		**18**	4,984
Mr. Touqir Hussain - Head of IT of the Management Company Units held 2,187 (30 June 2025: 2,566 units)		**118**	132
Anum Dhedhi Units held 61 (30 June 2025: 61 units)		**3**	3
Hasan Ahmed Units held 160 (30 June 2025: 160 units)		**9**	8
Muhammad Farid Alam Units held 719 (30 June 2025: 719 units)		**39**	-
Lubna Najmul Hussain Dossa - Connected person due to holding of more than 10% units. Units held 4,762,585 (30 June 2025: 2,801,300 units)		**257,925**	144,550
Mr. Carrow Michael - Head of HR of the Management Company units held 1 (30 June 2025: 1 units)		**1**	1
Khalid Mehmood Chairperson of the Management Company units held 717 (30 June 2025: 1 units)		**39**	1
Ali Wahab Siddiqui- Key Management Personnel of Associated Company units held 277,459 (30 June 2025: 277,459 units)		**15,026**	14,317
Afsheen Aqeel Dhedhi- Key Management Personnel of Associated Company units held 47 (30 June 2025: 47 units)		**3**	2
Pak Qatar Investment Account - Connected person due to holding of more than 10% units Units held Nil (30 June 2025: 2,686,337 units)		**-**	138,618
ASKARI GENERAL INSURANCE CO. LTD. Connected person - due to holding of more than 10% units Units Held 3,842,625 (30 June 2025: 1,024,058)		**208,103**	-
Durain Cassim - Connected person due to holding of more than 10% units Units held 3,768,292 (30 June 2025: 812,489 units)		**204,078**	-
Dinaz Cassim - Connected person due to holding of more than 10% units Units held 5,824,575 (30 June 2025: 3,189,054 units)		**315,439**	164,559
Yasmeen Dhedhi- Close relative of Sponsor of Management Company Units held 21,937 Units (30 June 2024: 21,937 units)		**-**	1,130

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

	Note	Unaudited 31 December 2025	Audited 30 June 2025
		------------ (Rupees in '000) ------------	
M3 Technologies Pakistan Private Limited Employees Provident Units Held 297,498 (30 June 2025: 297,498)		**16,111**	15,351
Spouse of director and chief investment officer Units held 326 (30 June 2025 : 96,586 units)		**18**	4,984
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Muhammad Farid Alam Units held 719 (30 June 2025: 719 units)		**39**	-
Lubna Najmul Hussain Dossa - Connected person due to holding of more than 10% units. Units held 4,762,585 (30 June 2025: 2,801,300 units)		**257,925**	144,550
Mr. Carrow Michael - Head of HR of the Management Company units held 1 (30 June 2025: 1 units)		**1**	1
Khalid Mehmood Chairperson of the Management Company units held 717 (30 June 2025: 1 units)		**39**	1
Ali Wahab Siddiqui- Key Management Personnel of Associated Company units held 277,459 (30 June 2025: 277,459 units)		**15,026**	14,317
Afsheen Aqeel Dhedhi- Key Management Personnel of Associated Company units held 47 (30 June 2025: 47 units)		**3**	2
Pak Qatar Investment Account - Connected person due to holding of more than 10% units Units held Nil (30 June 2025: 2,686,337 units)		-	138,618
ASKARI GENERAL INSURANCE CO. LTD. Connected person - due to holding of more than 10% units Units Held 3,842,625 (30 June 2025: 1,024,058)		**208,103**	-
Durain Cassim - Connected person due to holding of more than 10% units Units held 3,768,292 (30 June 2025: 812,489 units)		**204,078**	-
Dinaz Cassim - Connected person due to holding of more than 10% units Units held 5,824,575 (30 June 2025: 3,189,054 units)		**315,439**	164,559
Yasmeen Dhedhi- Close relative of Sponsor of Management Company Units held 21,937 Units (30 June 2024: 21,937 units)		-	1,130

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

	Note	(Unaudited) As at 31 December 2025			
		Level 1	**Level 2**	**Level 3**	**Total**
		(Rupees in '000)			
Investment in securities - at fair value through profit or loss					
Investments		**493,442**	**759,207**	**-**	**1,252,649**
		493,442	**759,207**	**-**	**1,252,649**

	(Audited) As at 30 June 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
	(Rupees in '000)			
Investment in securities - at fair value through profit or loss				
Investments	590,021	145,456	-	735,477
	590,021	333,663	-	735,477

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

19. GENERAL

19.1 This condensed interim financial statements is unaudited and have been reviewed by the auditors. Furthermore, the figures for the three months period ended 31 December 2025 and 31 December 2024 in this condensed interim financial statements, has not been subject to limited scope review by the auditors.

20. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial statements were authorised for issue on 17 FEB 2026 by the Board of Directors of the Management Company.

For AKD Investment Management Limited
(Management Company)

CHIED EXECUTIVE OFFICER	**DIRECTOR**	**CHIEF FINANCIAL OFFICER**