Quarterly Report
December 31, 2024
(Un-audited)

AKD
Opportunity 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	**Khalid Mahmood**
Chief Executive Officer	Chairman

Karachi:

FUND INFORMATION

AKD Opportunity Fund

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

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

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

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

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

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

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

Rating-AKDOF
BY PACRA
Performance Ranking
LT Rating: 2-Star
ST Rating: 2-Star

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

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TRUSTEE REPORT TO THE UNIT HOLDERS

AKD OPPORTUNITY 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 Opportunity 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

FINANCIAL STATEMENT OF
AKD OPPORTUNITY FUND
FOR THE SIX-MONTH PERIOD ENDED
DECEMBER 31, 2024

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Sarwar Shaheed Road
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Pakistan

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AKD OPPORTUNITY FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AKD OPPORTUNITY FUND** ("the Fund") as at December 31, 2024 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement, and notes to the condensed interim financial statements for the six-month period then ended ((here-in-after referred to as "the interim financial statements"). AKD Investment Management Limited (the "Management Company") is responsible for the preparation and presentation of these 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 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

The condensed interim financial statements of the Fund for the six-month period ended December 31, 2023 and the financial statements for the year ended June 30, 2024 were reviewed and audited respectively by another firm of Chartered Accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated May 07, 2024 and December 20, 2024, respectively.

The figures for the quarter ended December 31, 2024 and December 31, 2023 included in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and accordingly we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: 24 APR 2025

UDIN: RR202410067ny5MhxOqf

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

AKD OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2024

	Note	December 31, 2024 (Un-Audited)	June 30, 2024 (Audited)
		------- (Rupees in '000) -------	
ASSETS			
Bank balances	5	47,281	9,893
Investments	6	800,003	619,651
Deposits, prepayments and other receivables	7	2,970	2,975
Mark-up receivable on bank deposits		504	403
Receivable against sale of investment		6,932	-
Total assets		857,690	632,922
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	8	3,991	1,441
Payable to Central Depository Company of Pakistan Limited - Trustee	9	156	248
Payable to Securities and Exchange Commission of Pakistan	10	109	97
Payable against redemption / conversion of units		20,344	734
Accrued expenses and other liabilities	11	13,235	15,379
Dividend payable		4,468	4,468
Total liabilities		42,303	22,367
NET ASSETS		815,387	610,555
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		815,387	610,555
CONTINGENCIES AND COMMITMENTS	12		
		----------------Number of units --------------	
Number Of Units In Issue		5,254,671	5,534,698
		----------------- Rupees -----------------	
Net Assets Value Per Unit		155.1737	110.3141

The annexed notes 1 to 19 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 OPPORTUNITY FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE SIX MONTH PERIOD AND QUARTER ENDED DECEMBER 31, 2024

	Note	Six month period ended December 31,		Quarter ended December 31,	
		2024	2023	2024	2023
		------ (Rupees in '000) ------			
INCOME					
Dividend income		13,457	21,279	10,002	8,648
Mark-up on bank deposits		1,553	751	708	409
Realised gain on sale of investments classified as 'financial assets at fair value through profit or loss'		23,344	17,158	21,745	10,470
		38,354	39,188	32,455	19,527
Net unrealised gain on re-measurement of Investment classified as 'financial assets at fair value through profit or loss'	6.1	211,191	91,811	218,792	79,810
Total income		249,545	130,999	251,247	99,337
EXPENSES					
Remuneration of AKD Investment Management Limited - Management Company	8.1	9,421	6,148	5,047	3,084
Sindh sales tax on remuneration of Management Company	8.2	1,373	799	757	401
Allocated expenses by the Management Company	8.3	619	1,844	619	925
Remuneration of Central Depository Company of Pakistan Limited-Trustee	9.1	647	616	337	309
Sindh sales tax on remuneration of Trustee	9.2	97	82	51	42
Fee to the Securities and Exchange Commission of Pakistan	10	307	292	160	146
Securities transaction expense		389	381	361	276
Auditor's remuneration		175	175	88	87
Bank and settlement charges		179	83	94	8
Fee and subscription		117	299	58	161
Legal and professional charges		108	109	54	47
Total expenses		13,433	10,828	7,627	5,486
Net income for the period before taxation		236,112	120,171	243,620	93,851
Taxation	13	-	-	-	-
Net income for the period		236,112	120,171	243,620	93,851
Allocation of net income for the period					
Net income for the period after taxation		236,112	120,171	243,620	93,851
Income already paid on units redeemed		(7,490)	(10,454)	(7,490)	(10,454)
		228,622	109,717	236,130	83,397
Accounting income available for distribution					
-Relating to capital gains		234,535	108,969	240,537	83,397
-Excluding capital gains		(5,914)	748	(4,408)	-
		228,622	109,717	236,130	83,397

The annexed notes 1 to 19 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 OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTH PERIOD AND QUARTER ENDED DECEMBER 31, 2024

	Six month period ended December 31,		Quarter ended December 31,	
	2024	2023	2024	2023
	(Rupees in '000)			
Net income for the period	236,112	120,171	243,620	93,851
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	236,112	120,171	243,620	93,851

The annexed notes 1 to 19 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 OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	Six month period ended December 31, 2024			Six month period ended December 31, 2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	---------- (Rupees in '000) ----------					
Net assets at beginning of the period (audited)	(137,482)	748,037	610,555	(54,210)	635,757	581,547
Issuance of 1,814,656 units (2023: 597,535 units)						
- Capital value (at net asset value per unit at beginning of the period)	200,182	-	200,182	53,082	-	53,082
- Element of income	17,040	-	17,040	6,626	-	6,626
Total proceeds on issuance of units	217,222	-	217,222	59,708	-	59,708
Redemption of 2,094,683 units (2023: 1,289,647 units)						
- Capital value (at net asset value per unit at beginning of the period)	(231,073)	-	(231,073)	(114,566)	-	(114,566)
- Element of loss	(9,939)	(7,490)	(17,429)	(2,952)	(10,454)	(13,406)
Total payments on redemption of units	(241,012)	(7,490)	(248,502)	(117,518)	(10,454)	(127,972)
Total comprehensive income for the period	-	236,112	236,112	-	120,171	120,171
Net assets at end of the period (un-audited)	(161,272)	976,659	815,387	(112,020)	745,474	633,454
Undistributed income brought forward						
- Realised income		668,030			801,638	
- Unrealised gain/(loss)		80,007			(165,881)	
		748,037			635,757	
Accounting income available for distribution:						
- Relating to capital gains		234,535			108,969	
- Excluding capital gains		(5,914)			748	
		228,622			109,717	
Undistributed income carried forward		976,659			745,474	
Undistributed income carried forward						
Realised income		765,468			653,663	
Unrealised income		211,191			91,811	
		976,659			745,474	

	2024	2023
	Rupees	Rupees
Net assets value per unit at the beginning of the period	110.3141	88.8352
Net assets value per unit at the end of the period	155.1737	108.2043

The annexed notes 1 to 19 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 OPPORTUNITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	Six month period ended December 31, 2024	2023
	---------------- (Rupees in '000)	----------------
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	236,112	120,171
Adjustments for non cash items and other items :		
Net unrealised gain on re-measurement of Investment classified as 'financial assets at fair value through profit or loss'	(211,191)	(91,811)
	24,921	28,360
Decrease / (Increase) in assets		
Investments - net	30,839	36,986
Receivable against sale of investment	(6,932)	8,035
Deposits, prepayments and other receivables	5	(15)
Mark-up receivable on bank deposits	(100)	(35)
	23,811	44,971
Increase / (Decrease) in liabilities		
Payable to AKD Investment Management Limited - Management Company	2,550	18
Payable to Central Depository Company of Pakistan Limited - Trustee	(92)	(6)
Payable to Securities and Exchange Commission of Pakistan	12	(164)
Payable against redemption / conversion of units	19,610	1,699
Accrued expenses and other liabilities	(2,144)	1,302
	19,936	2,849
Net cash generated from operating activities	68,668	76,181
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units	217,222	57,759
Payment against redemption of units	(248,502)	(129,672)
Net cash used in financing activities	(31,280)	(71,913)
Net increase in cash and cash equivalents during the period	37,388	4,267
Cash and cash equivalents at the beginning of the period	9,893	5,551
Cash and cash equivalents at the end of the period	47,281	9,818

The annexed notes 1 to 19 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 OPPORTUNITY FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AKD Opportunity Fund (the Fund) was established under a Trust Deed, dated December 19, 2005, executed between AKD Investment Management Limited (AKDIML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on December 07, 2005 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulation). The Management Company has been licensed by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The Fund commenced its operations on April 01, 2006.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the Promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2000" (the Sindh Trust Act). Accordingly, on August 15, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act. The Fund was registered on August 23, 2021 with the Assistant Director of Industries and Commerce (Trust wing) Government of Sindh under section 12 of the Sindh Trust Act.

The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block-8, Clifton, Karachi, in the province of Sindh.

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

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

1.4 The Management Company has been assigned a quality rating of 'AM3++' by the Pakistan Credit Rating Agency Limited (PACRA) on June 27, 2024 ('AM3++' on June 27, 2023). The Fund has been given a performance ranking by the PACRA of '3 star' / '4 star' in short term / long term dated August 15, 2024 ('3 star' / '4 star' in short term / long term June 30, 2024).

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

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 for interim financial reporting 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 along with part VIIIA of the repealed Companies Ordinance 1984; and

- the 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 the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A 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 VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulation and requirements of the Trust Deed have been followed.

2.1.2 The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 'Interim Financial Reporting' (IAS-34). These condensed interim financial statements 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 published audited financial statements of the Fund for the year ended June 30, 2024.

2.1.3 These condensed interim financial statements are being submitted to the unit holders as required under Regulation 38 (2)(f) of the NBFC Regulation.

2.1.4 These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statuary auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at and for the six month period ended December 31, 2024.

2.2 Basis of measurement

This condensed interim financial statements has been prepared under the historical cost convention, except the investment which are measured at fair value.

2.3 Functional and presentation currency

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

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

3.1 The accounting policies adopted for the preparation of the 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 June 30, 2024.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan 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. In preparing the condensed interim financial statements, the significant judgements made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty are the same as those applied to the financial statements as at and for the year ended June 30, 2024. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2024.

3.3 There are certain amendments to the published accounting and reporting standards mandatory for the fund's accounting period beginning on July 01, 2024. However, these do not have any material impact on the Fund's financial statements and, therefore, have not been detailed in these condensed interim financial statements.

3.4 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 July 01, 2025. However, the new standards, interpretations and amendments to the approved accounting will not have any material impact on the Fund's financial statements in the period of adoption and, therefore have not been detailed in these condensed interim financial statements.

4. FINANCIAL RISK MANAGEMENT

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

5. BANK BALANCES	Note	December 31, 2024 (Un-Audited)	June 30, 2024 (Audited)
		-------- (Rupees in '000) --------	
Saving accounts	5.1	46,071	9,557
Current accounts		1,210	336
		47,281	9,893

5.1 These carry mark-up rates ranging from 13.5% to 20.5% per annum (June 30, 2024: 19.5% to 20.5% per annum).

6. INVESTMENTS

	Note	December 31, 2024	June 30, 2024
At fair value through profit or loss			
Listed equity securities	6.1	800,003	619,651

6.1 **Listed equity securities**

Name of the Investee Company	Face value per share	As at July 1, 2024	Purchases during the period	Bonus / Right Issue	Sales during the period	As at December 31, 2024	Balance as at December 31, 2024 Carrying cost	Market value	Gain/(loss)	Market value as percentage of total investments	Market value as a percentage of net assets	Percentage of paid up capital of the investee company held
	(Rupees)	---------- Number of shares ----------					---------- (Rupees in 000) ----------			---------- (%) ----------		
Fully paid up Ordinary shares												
Asset Allocation												
Javedan Corporation Limited		-	150,000	-	-	150,000	7,950	8,981	1,031	1.12	1.10	-
Automobile Parts & Accessories												
Thal Limited	5	13,500	-	-	3,500	10,000	4,833	4,128	(706)	0.52	0.51	-
Cable & Electrical Goods												
Pakistan Cables Limited	10	2,651	-	264	-	2,915	415	529	114	0.07	0.06	-
Commercial Banks												
Askari Bank Limited	10	390,000	-	-	-	390,000	8,787	14,925	6,139	1.87	1.83	-
Faysal Bank Limited	10	70,000	-	-	70,000	-	-	-	-			-
Samba Bank Limited	10	300,000	-	-	-	300,000	2,332	1,850	(482)	0.23	0.23	-
Habib Bank Limited	10	350,000	-	-	165,000	185,000	22,946	32,275	9,330	4.03	3.96	-
							34,064	49,050	14,986			
Industrial Engineering												
International Steels Limited	10	5,000	-	-	5,000	-	-	-	-	-	-	-
International Industries Limited	10	5,000	-	-	5,000	-	-	-	-	-	-	-
							-	-	-			
Food & Personal Care-Products												
At-Tahur Limited	10	500,000	-	-	500,000	-	-	-	-	-	-	-
Frieslandcampina Engro Pakistan Limited	10	-	11,000	-	-	11,000	978	982	4	0.12	0.12	-
Quice Food Industries Limited	10	1,182,500	-	-	1,182,500	-	-	-	-	-	-	-
							978	982	4			
Insurance												
Efu General Insurance Limited	10	300,000	-	-	-	300,000	25,560	34,109	9,249	4.35	4.27	-
Tpl Insurance Limited	10	2,343,560	-	-	-	2,343,560	33,607	27,631	(5,976)	3.45	3.39	0.01
Askari General Insurance Company Limited	10	777,533	-	-	-	777,533	14,618	22,898	8,281	2.86	2.81	0.01
Pakistan Reinsurance Company Limited	10	717,000	-	-	-	717,000	7,729	11,264	3,535	1.41	1.38	-
							81,514	96,602	15,088			
Investment Banks / Investment Companies / Securities Companies												
Jahangir Siddiqui & Company Ltd-'Class A' Preference Shares	10	978,200	-	-	-	978,200	7,141	8,804	1,663	1.10	1.08	0.01
Jahangir Siddiqui & Company Limited	10	3,700,000	-	-	700,000	3,000,000	56,640	53,940	(2,700)	6.74	6.62	-
Imperial Limited	10	486,500	-	-	-	486,500	6,811	10,547	3,736	1.32	1.29	-
Pakistan Stock Exchange Limited 6.1.1	10	5,850,000	-	-	2,250,000	3,600,000	46,116	99,900	53,784	12.49	12.25	-
JS Investments Limited	10	3,220,000	-	-	700,000	2,520,000	40,320	61,942	21,622	7.74	7.60	0.04
							157,028	235,133	78,105			
Paper & Board												
Pakistan Paper Products Limited	10	114,000	-	-	47,000	67,000	5,136	10,043	4,907	1.26	1.23	0.01
Refinery												
Cnergyico PK Limited	10	8,000,000	-	-	-	8,000,000	30,800	62,800	32,000	7.85	7.70	-

Name of the Investee Company	Face value per share	As at July 1, 2024	Purchases during the period	Bonus / Right Issue	Sales during the period	As at December 31, 2024	Balance as at December 31, 2024			Market value as percentage of total investments	Market value as a percentage of net assets	Percentage of paid up capital of the investee company held
							Carrying cost	Market value	Un-Realised gain/(loss)			
Power Generation & Distribution												
The Hub Power Company Limited	10	-	250,000	-	-	250,000	28,437	32,723	4,285	4.09	4.01	-
K-Electric Limited	10	-	2,000,000	-	500,000	1,500,000	7,382	8,400	1,018	1.05	1.03	-
Kot Addu Power Company Limited	10	355,000	-	-	-	355,000	11,754	13,348	1,594	1.67	1.64	-
							47,573	54,471	6,897			
Sugar and Allied Industries												
Chashma Sugar Mills Limited	10	7,000	-	-	-	7,000	470	490	20	0.06	0.06	-
Tariq Corporation Limited	10	14,437	-	-	-	14,437	180	224	43	0.03	0.03	-
Tariq Corporation Limited - Preference Shares	10	3,937	-	-	-	3,937	25	31	6	-	-	-
The Premier Sugar Mills & Distillery Company Limited	10	6,200	-	-	-	6,200	2,852	2,511	(341)	0.31	0.31	-
							3,528	3,256	(272)			
Synthetics and Rayon												
Pakistan Synthetics Limited	10	1,128,600	-	-	635,275	493,325	10,710	20,626	9,916	2.58	2.53	-
Technology & Communication												
Hum Network Limited	1	2,059,800	2,340,000	-	-	4,399,800	46,780	64,545	17,765	8.07	7.92	-
Trg Pakistan Limited - Class 'A'		-	400,000	-	400,000	-	-	-	-	0.00	0.00	-
Tpl Trakker Limited	10	1,667,000	-	-	-	1,667,000	10,335	17,070	6,735	2.13	2.09	-
							57,115	81,615	24,500			
Textile Composite												
Fazal Cloth Mills Limited	10	600	-	-	-	600	76	106	30	0.01	0.01	-
Masood Textile Mills Limited	10	1,000	-	-	1,000	-	-	-	-	0.00	0.00	-
							76	106	30			
Textile Spinning												
Ellcot Spinning Mills Limited	10	578,038	-	-	-	578,038	49,133	65,677	16,543	8.21	8.05	0.05
Tata Textile Mills Limited	10	840,538	-	-	-	840,538	53,450	41,817	(11,633)	5.23	5.13	0.02
Colony Textile Mills Limited	10	400,000	-	-	-	400,000	1,200	1,888	688	0.24	0.23	-
Crescent Fibres Limited	10	35,500	-	-	-	35,500	2,095	1,561	(534)	0.20	0.19	-
Premium Textile Mills Limited	10	10,000	-	-	-	10,000	3,150	3,799	649	0.47	0.47	-
Saif Textile Mills Limited	10	141,000	-	-	-	141,000	1,517	2,045	527	0.26	0.25	-
							110,545	116,786	6,241			
Vanaspati & Allied Industries												
Punjab Oil Mills Limited	10	243,000	-	-	-	243,000	26,832	39,159	12,327	4.89	4.80	0.03
S. S. Oil Mills Limited	10	13,400	-	-	-	13,400	969	1,126	157	0.14	0.14	-
							27,801	40,286	12,485			
Pharmaceuticals												
Abbott Laboratories (Pakistan) Limited	10	-	11,739	-	-	11,739	8,662	14,531	5,869	1.82	1.78	-
							8,662	14,531	5,869			
Miscellaneous												
Pakistan Services Limited	10	100	-	-	-	100	84	80	(4)	0.01	0.01	-
							84	80	(4)			
Total as at December 31, 2024		36,710,594	5,162,739	264	7,164,275	34,709,322	588,812	800,003	211,191			
Total as at June 30, 2024							539,644	619,651	80,007			

6.1.1 The exposure limit of an investment in a single company as a percentage of net assets exceeded by 2.25% (June 30, 2024: 2.61% and 2.27%) against the prescribed limit of 10% of the total net assets as required under the NBFC Regulations.

6.2 **Unlisted equity securities**

Name of the Investee Company	Face value per share	As at July 1, 2024	Purchases during the period	Bonus / Right Issue	Sales during the period	As at December 31, 2024	Carrying cost	Market value	Un-Realised gain/(loss)	Market value as percentage of total investments	Market value as a percentage of net assets	Percentage of paid up capital of the investee company held
Power Generation & Distribution												
Japan Power Generation Limited	10	4,261,500	-	-	-	4,261,500	-	-	-	0.00	0.00	0.00

6.2.1 Japan Power Generation Limited has been delisted on december 29, 2022.

	Note	December 31, 2024 (Un-Audited)	June 30, 2024 (Audited)
		-------- (Rupees in '000) --------	

7. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Note	December 31, 2024	June 30, 2024
Security deposits			
- National Clearing Company of Pakistan Limited		2,500	2,500
- Central Depository Company of Pakistan Limited		100	100
Prepaid annual listing fee of Pakistan Stock Exchange		10	-
Advance tax	7.1	360	360
Other receivable		-	15
		2,970	2,975

7.1 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 sections 151 and 150. However, withholding tax on profit on debt and dividend paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) /2008-VOL.II - 66417- R dated May 12, 2015, which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder.

8. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

	Note	December 31, 2024	June 30, 2024
Management remuneration	8.1	2,552	1,002
Sindh sales tax	8.2	744	130
Expenses allocated by the Management Company	8.3	652	301
Sales load payable		43	8
		3,991	1,441

8.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. The maximum limit disclosed in the offering document is 3.00% per annum of average annual net assets. During the period, the fee is being charged at the rate of 2.50% to 3.00% of the average net assets.

8.2 This represents Sindh Sales Tax levied at the rate of 15% (June 30, 2024: 13%) on the remuneration of the Management Company.

8.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company, based its own discretion while keeping in view the overall return as the total expense ratio linit as defined under NBFC Regulations, 2008, has charged its fees.

	Note	December 31, 2024 (Un-Audited)	June 30, 2024 (Audited)
		-------- (Rupees in '000) --------	
9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Trustee remuneration	9.1	105	220
Sales tax payable on trustee remuneration	9.2	51	28
		156	248

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

The tariff structure applicable to the fund is as follows:

Net Assets of the Fund	Remuneration Rate (Per annum)
Up to Rupees 1 billion	0.20%
Over Rupees 1 billion	Rupees 2 million plus 0.1 % of Net Asset on amount exceeding Rs. 1 billion

9.2 This represents Sindh Sales Tax levied on the Services Act, 2011 has been charged at the rate of 15% (June 30, 2024: 13%) on Trustee remuneration.

	Note	December 31, 2024	June 30, 2024
10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)			
Fee payable to SECP	10.1	109	97

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the SECP as a revised amount equal to 0.095% (June 30, 2024: 0.095%) of average annual net assets of the Fund as per S.R.O 592 (1) / 2023 dated May 17, 2023.

	Note	December 31, 2024 (Un-Audited)	June 30, 2024 (Audited)
		-------- (Rupees in '000) --------	

11. ACCRUED EXPENSE AND OTHER LIABILITIES

	Note	December 31, 2024	June 30, 2024
Brokerage payable		1,206	1,102
Auditor's remuneration		215	363
Withholding tax and capital gain payable		438	3,316
NCCPL fee payable		308	139
Federal Excise Duty on management fee	11.1	10,092	10,092
Others		976	367
		13,235	15,379

11.1 As per the requirement of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence a petition was collectively filed by the Mutual Fund Association of Pakistan (MUFAP) with the Honorable Sindh High Court (the Court) on September 04, 2013.

The Court through its order dated June 02, 2016, in CPD-3184 of 2014 (and others) filed by various taxpayers, has interalia declared that Federal Excise Act, 2005 (FED Act) is on services, other than shipping agents and related services, is ultra vires to the Constitution of Pakistan (the Constitution) from July 01, 2011. However, the declaration made by the Honorable Court, as directed, will have effect in the manner prescribed in the judgment. The Sindh High Court in its decision dated July 16, 2016, in respect of a constitutional petition filed by management companies of mutual funds maintained the previous order on the FED.

The Sindh Revenue Board of Pakistan and the Federal Board of Revenue have filed appeals before the Honourable Supreme Court of Pakistan against the Court's decision dated June 02, 2016, which is pending for the decision. However, after the exclusion of the mutual funds from federal statute on FED from July 01, 2016, the Fund has discontinued making the provision in this regard.

Since the appeal is pending in the Honorable Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained provision for FED on management fee aggregating to Rs. 10.092 million. Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Rs. 1.9205 (June 30, 2024: Rs. 1.8234) per unit.

12. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at December 31, 2024 (June 30, 2024: Nil).

13. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income for the year ending June 30, 2025, as reduced by accumulated losses and capital gains (whether realised or unrealised) to its unit holders.

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

14. TOTAL EXPENSE RATIO

Total expense ratio of the Fund for the period ended December 31, 2024 is 4.08% (December 31, 2023: 3.13%) which includes 0.55% (December 31, 2023: 0.33%) representing government levies on the Fund such as sales taxes, fees to SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations 60(5) for a Collective Investment Scheme (CIS) categorised as an "Equity Scheme".

15. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

15.3 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.

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

	Six month period ended December 31, 2024 (Un-Audited)	Six month period ended December 31, 2023 (Un-Audited)
	-------- (Rupees in '000) --------	
15.4.1 Details of transactions with connected persons / related parties are as follows:		
Transaction during the period:		
AKD Investment Management Limited - Management Company		
Remuneration of the Management Company	9,421	6,148
Allocated expenses by the Management Company	619	1,844
Sindh sales tax on remuneration of the Management Company	1,373	799
Sales load	-	7
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Remuneration of the Trustee	647	616
Sindh sales tax on trustee remuneration	8	82
CDS charges	1	12
AKD Securities Limited - Brokerage House		
Brokerage Paid	216	-
Mr. Muhammad Farid Alam : Chief Executive AKD Securities Limited		
Unit Redeemed: Nil (2023: 5,787) units	-	532
AKD Islamic Stock Fund - Common Management Company		
Shares sold by AKD Opportunity Fund to AKD Islamic Stock Fund	-	8,208
Shares purchased by AKD Opportunity Fund from AKD Islamic Stock Fund	-	3,481
Golden Arrow Stock Fund - Common Management Company		
Shares sold by AKD Opportunity Fund to Golden Arrow Stock Fund	-	30,390
Shares purchased by AKD Opportunity Fund from Golden Arrow Stock Fund	-	10,824
Khalid Mehmood Director of the Management Company		
Units issued: Nil (2023: 86,781) units	-	9,047
Shifa Khalid Close Relative of Director of the Management Company		
Units issued: Nil (2023: 26,031) units	-	2,714

	As at December 31, 2024 (Un-Audited)	As at June 30, 2024 (Audited)
	-------- (Rupees in '000) --------	
Ellcot Spinning Mills Limited - Common Directorship		
Number of shares sold: Nil (2023: 95,000) units	-	9,405
Receipt of dividend on 578,038 shares @ Rs 5 per share (2023: 578,038 shares @ Rs. 6 per share)	2,890	3,468

15.4.2 Balances outstanding at the period / year end

AKD Investment Management Limited - Management Company		
Management remuneration	2,552	1,002
Sindh Sales tax	744	130
Federal excise duty	10,092	10,092
Expense allocated by Management Company	652	301
Sales load payable	43	8
Outstanding Units: 22,006 units (2024: 22,006 units)	3,415	2,428
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Trustee remuneration payable	105	220
Sindh Sales Tax payable on trustee remuneration	51	28
Central Depository System charges	156	248
Security deposit	100	100
Receivable / payable against conversion of units - Funds under management company		
Payable against conversion of units - AKD Cash Fund	-	734
AQEEL KARIM DHEDHI SECURITIES (PVT) LTD STAFF-PROVIDENT FUND TRUST		
Securities (Private) Limited		
Units outstanding: 92,010 (2024: 92,010)	14,278	10,150
Ms. Afsheen Aqeel Dhedhi		
Close relative of Mr. Aqeel Karim Dhedhi		
Units outstanding: 61 (2024: 61)	9	7
Mr. Toqir Hussain		
Head of Information Technology		
Units outstanding: 66 (2024: 66) units	10	7

	As at December 31, 2024 (Un-Audited)	As at June 30, 2024 (Audited)
	-------- (Rupees in '000) --------	
Mr. Ubaid ur Rehman		
Key Management personal		
Units outstanding: 73 (2024: 73) units	11	8
Mr. Murtaza Wahab Siddiqui		
Spouse of the Director of the Management Company		
Units outstanding: 36,068 (2024: 36,068) units	5,597	3,979
Mr. Ali Wahab Siddiqui		
Director of the Management Company		
Units outstanding: 1,868 (2024: 1,868) units	290	206
AKD Securities Limited - Brokerage House		
Brokerage payable on purchase and sale of marketable securities	-	41
Ellcot Spinning Mills Limited - Common Directorship		
Shares held: 578,038 (2024: 578,038) units	89,696	63,766
Having invested more than 10% in the units of the Fund		
Hum Network Limited		
Units outstanding: 553,769 (2024: 553,769) units	85,930	61,089
TPL Insurance Limited (holding more than 10% units of the Fund)		
Units outstanding: 836,497 (2024: 836,497) units	129,802	92,277

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is the current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and

- Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

The following tables show the carrying amounts and fair values of financial assets and financial liabilities held as at December 31, 2024 and June 30, 2024, including their levels in the fair value hierarchy:

	(Un-Audited)			
	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			
Listed equity securities	800,003	-	-	800,003

	(Audited)			
	As at June 30, 2024			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
ASSETS				
Listed equity securities	619,651	-	-	619,651

16.1 The fair value of assets and liabilities are approximate to carrying amounts. There is no transfer among the levels taken place during the period.

16.2 **Transfers during the period**

No transfers were made between various levels of fair value hierarchy during the period.

17. CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these condensed interim financial statements during the current period.

18. GENERAL

18.1 Figures have been rounded off to the nearest thousand rupees unless stated otherwise

19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 28 FEB 2025 by the Board of Directors of the Management Company.

For AKD Investment Management Limited
(Management Company)

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