Funds Managed by:

AKD Investment Management Ltd.

Half Yearly Report
December 31, 2014
(Un-audited)

half yearly report

AKD OPPORTUNITY FUND

AKD INDEX TRACKER FUND

AKD CASH FUND

AKD AGGRESSIVE INCOME FUND

Partner with AKD Profit from the Experience

AKD Investment Management Ltd.

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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. Abdul Karim Memon*

Director & Chief Executive Officer
Mr. Imran Motiwala*

Directors
Mr. Ali Wahab Siddiqui*
Mr. M. Ramzan Sheikh*
Mr. Hasan Ahmed*
Mr. Ahmed Abdul Sattar*
Mr. Nadeem Saulat Siddiqui*

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Munir Abdullah

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob

HEAD OF COMPLIANCE OF THE MANAGEMENT COMPANY

Mr. Rashid Ahmed

AUDIT COMMITTEE

Mr. Ali Wahab Siddiqui (Chairman)
Mr. M. Ramzan Sheikh (Member)
Mr. Hasan Ahmed (Member)
Mr. Muhammad Yaqoob (Audit Secretary)

HUMAN RESOURCE & REMUNERATION COMMITTEE (HR & R)

Mr. Abdul Karim Memon (Chairman)
Mr. Imran Motiwala (Member)
Mr. Ahmed Abdul Sattar (Member)

RATING
AKD Investment Management Ltd. (AMC)
AM3 (AM Three) issued by PACRA

*Election of Directors took place on October 11, 2014 and the approval is pending from SECP.

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

AKD Fund shall continuously strive to:

- *Keep primary focus on investing clients' interest*
- *Achieve highest standards of regulatory compliance and good governance*
- *Prioritize risk management while endeavoring 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 superior 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), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF) and AKD Aggressive Income Fund (AKDAIF) is pleased to present its interim report along with the Funds' accounts for the half year ended December 31, 2014.

KSE continued its upward drive where the Index continued to post historic levels reaching new high of 32,148.78 points on December 5, 2014 to settle at 32,131.28 points as at December 31, 2014. The KSE - 100 Index increased by 8.36% for the 1HFY15. Market Capitalization increased to USD 73.805 billion from USD 70.226 billion as at June 30, 2014, an increase of 5.1%.

Funds' Financial Performance

AKD Opportunity Fund (AKDOF)

For the 1HFY15, the return of the AKD Opportunity Fund stood at a 19.55% versus the benchmark KSE -100 Index return of 8.36%, thus outperforming the benchmark by 11.19%.

AKD Index Tracker Fund (AKDITF)

For the 1HFY15, the return of the AKD Index Tracker Fund stood at 7.38% versus the benchmark KSE-100 Index returns of 8.36%.

AKD Cash Fund (AKDCF)

For the 1HFY15, the return of AKD Cash Fund stood at 8.88% (annualized) versus the benchmark 8.73%, thus outperforming the benchmark by 0.15%.

AKD Aggressive Income Fund (AKDAIF)

For the 1HFY15, the return of the AKD Aggressive Income Fund stood at 19.56% (annualized) versus the benchmark return of 10.33%, thus outperforming the benchmark by 9.23%.

Macro Perspective

The economy has witnessed major developments in the first half of FY15 on the back of 14% increase in revenue collection, declining international commodity prices, decrease in discount rate and decline in inflation. The Government has taken several steps to support the ailing economy, which is primarily suffering from energy crisis and poor law and order situation. On international front securing quarterly tranches from the IMF was one major achievement since it has strings tied to it while on the other hand Pakistan sought energy and infrastructure investments of $42 billion from China in November'14. On the local front, FBR realized net collection of Rs. 1,171.868 billion, showing an increase of 14%.

The foreign reserves increased to $15.2 billion after receiving two tranches of worth $1.1 billion from International Monetary Fund. Moreover, better than expected issuance of Sukuk Bonds raised $1 billion for Government, which helped to restore confidence of international investors. So far, Government's effort to increase the cash inflows by selling its stake in major companies has also been successful. Previously, Government generated $387 million by selling its 19.8% stake in United Bank Limited (UBL). In December, Government raised Rs. 14.4 billion from the sale of 11.46% of stake in Allied Bank Limited (ABL). However, depressed oil prices urged the need to postpone the sale of Government's 7.5% stake in OGDCL, which could have further raised about $815 million. Furthermore, the Government is expecting to receive $500 million from the International Bank for Reconstruction and Development (IBRD), since it met the precondition of $15 billion foreign exchange reserves mark.

During first half FY15 inflation remained low at 6.10% as compared to 8.90% recorded during the same period last year. Half yearly inflation was contained primarily due to falling oil prices, favorable trend in the global commodity prices, limited impact of floods and smooth food supplies. On the other hand, the benefit of sharp decline of more than 45% in international oil prices was transferred to the public in the shape of reduced domestic petroleum product prices. Primarily, due to lower inflationary outlook the State Bank of Pakistan (SBP) decided to reduce the discount rate to 9.50% from 10% during the first half of FY15. It further reduced the discount rate by another 100 basis points to 8.5% in the monetary policy held on January 26, 2015.

Since Pakistan's inclusion to the Generalized System of Preferences (GSP) Plus Status, the country's exports to EU countries have increased by $900 million till September 2014. Despite that increase, the economy could not fully benefit from GSP plus Status yet mainly due to political tension which peaked at the end of August'14 and continued till the end of November'14. According to data released by the Pakistan Bureau of Statistics (PBS), exports fell to $3.84 billion in July-August 2014 against $4.00 billion last year - a decline of 5.8%.

During first five months of FY15 Foreign Direct Investment (FDI) increased to $422.8 million against $354.8 million last year posting a surge of $86 million. Similarly, the FDI inflows stood at $1.371 billion against the outflow of $948 million last year. So far, private sector's participation has been low as this sector borrowed Rs. 76 billion in nearly first six months of this fiscal year, a considerably smaller figure than Rs. 175 billion borrowing in the comparable period of FY14.

Nevertheless, the economy will continue to depict incremental improvements. The development of manufacturing sector has to play a vital role to give a boost to Pakistan's economy.

Equity Market

Despite posting a small return of 0.25% during the first Quarter of the fiscal year 2015, KSE-100 index witnessed hefty returns clocking in at 8.09% in the second Quarter of the fiscal year. The poor performance in the first Quarter was mainly due to the uncertain political situation of the country. The end of the protests by the opposition parties marks a prominent moment for the incumbent PML (N) government, where we believe the focus should shift back to economic reforms.

Pakistani equities looked geared for another year of stellar returns where we believe KSE-100 Index still has the potential to witness growth on the back of continued de-risking as economic indicators improve and privatization process remains on track, expectations of a further 50 basis points cut in policy rate by SBP in the next MP meeting, ample local and foreign liquidity, political stability as all parties front a unified stand in the wake of recent terrorism and attractive relative valuations with the KSE continuing to be the cheapest market in the region.

Money Market

During 1HFY15 State Bank of Pakistan (SBP) auctioned T-Bills and PIB's of various maturities. In total 13 T-Bills auctioned were conducted during the period, where the government managed to raise PKR 1.615 trillion, while the majority of the amount (PKR 0.975 trillion) was raised during the 2Q of the 1HFY15. During 1HFY2015, weighted average yield on 3, 6, 12-months T-Bills were 9.84%, 9.85%, 9.83% respectively. Due to low Inflation and improving economic conditions SBP reduced discount rate by 50bps during November 2014. SBP also conducted 6 auctions of PIB's and managed to raise PKR 660 billion during the 1HFY2015. In the 2QFY2015, Government raised 53% of the total amount raised in 1HFY15, which is PKR 354 billion. The weighted average maturities yield on 3, 5, 10 years PIB's stood at 11.75%, 12.15%, 12.75% respectively.

Future Outlook

With the softening of the political crisis and the pro-business attitude of the Government, we believe the equity market of Pakistan has once again enhanced investors' confidence. The continuous decline in the international commodity prices is expected to release external account burden and stabilize the inflationary numbers at lower end thus increasing the disposable income of consumers. The loosening of the monetary policy with higher disposable income of people is expected to bring healthy marginal additions in growth of the country's output. The economic activity is expected to improve significantly during 2015 as State bank of Pakistan (SBP) is to follow a loosening of monetary stance. Going forward, reduction in discount rate, depressed oil and commodity prices will restrict inflation and improve the corporate profitability of manufacturing output.

The government's privatization program is expected to increase the state owned companies operating efficiencies with the foreign inflows of proceeds supporting the external account. Moreover, heavy investment from China in energy sector may help overcoming the severe energy crisis, while giving support to the economy in the long-term.

However, the tightening of the US monetary policy could drain down the foreign portfolio investments from the frontier markets, but with the real interest rates ranging between 2% to 3% Pakistan seems one of the safer frontier markets in terms of foreign flows.

Pakistan's stock market continued to be one of the top performing markets for another year. Pakistan ranked third amongst top 10 best performing markets in 2014. The KSE-100 Index successfully gained 6,870 points and generated 27% return during 2014. Although Pakistan Equity market is trading at an all time high, we believe the improvement in the corporate profitability arising from lower inflation and higher disposable income with friendlier government policies will provide further impetus for growth.

For and on behalf of the Board

Imran Motiwala
Chief Executive Officer

Karachi: February 24, 2015

AKD Opportunity Fund
Financial Information - First Half FY15

Contents

AKD Opportunity Fund

MANAGEMENT COMPANY
AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

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

BANKERS
Bank Alfalah Limited
Habib Metropolitan Bank Limited
KASB Bank Limited
Summit Bank Limited

AUDITORS
KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No.2
Beaumont Road, Karachi.

LEGAL ADVISER
Sattar & Sattar
Attorneys - at - law
3rd Floor, UBL Building,
I.I. Chundrigar Road,
Karachi

REGISTRAR
AKD Investment Management Limited
216 - 217, Continental Trade Centre,
Block-8, Clifton Karachi-74000
UAN: 111-253-465 (111-AKDIML)

DISTRIBUTORS
AKD Investment Management Limited
BMA Financial Services Limited
IGI Investment Bank Limited
Foundation Securities (Private) Limited

RATING - AKDOF
BY PACRA
Performance Ranking

Long-term	Short-term
5-Star	4-Star

FUND MANAGER'S REPORT

i) Description of Collective Investment Scheme Category and type:

Open end Equity Scheme

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

The investment objective of the Fund is to invest in the capital markets, searching for the optimal combination of investment strategies, mainly in equities, followed by fixed income and money market as contingent defensive strategy.

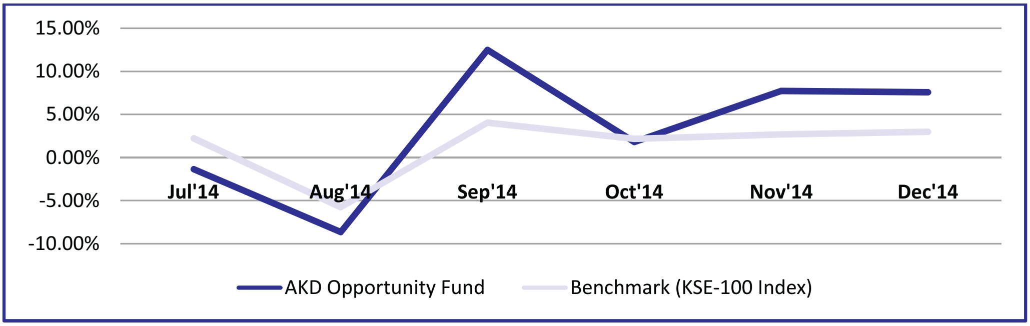
iii) Explanation as to whether Collective Investment Scheme achieved its stated objectives:

For the 1HFY15, the annualized return of the AKD Opportunity Fund stood at a 19.55% versus the benchmark KSE 100 index return of 8.36%, thus outperforming the benchmark by 11.19%.

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

KSE - 100 Index

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



Monthly Yield	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14
AKD Opportunity Fund	-1.39%	-8.62%	12.48%	1.81%	7.71%	7.57%
Benchmark (KSE-100 Index)	2.23%	-5.76%	4.06%	2.19%	2.70%	2.99%

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

AKD Opportunity Fund is an Open end equity scheme; the return of the Fund is generated through investment in value stocks which have strong growth potential. AKDOF is fully complied with the relevant policies and procedures as per Fund's regulatory requirement.

vii) Disclosure of Collective Investment Scheme's asset allocation as the date of report and particulars of significant changes in asset allocation since the last report (if applicable)

Asset Allocation (% of Total Assets)	31-Dec-14	30-Sep-14
Equities	95.24%	95.72%
Cash	4.23%	3.74%
Other Assets	0.54%	0.53%
Leverage	Nil	Nil

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

1HFY15 Return	19.55%
Benchmark Return	8.36%

ix) Changes in total NAV and NAV per unit since last reviewed period:

Net Asset Value			NAV Per Unit	
31-Dec-14	30-Sep-14	Change in Net Assets	31-Dec-14	30-Sep-14
(Rupees In "000")			Rs.	Rs.
884,491	827,677	6.86%	65.6837	55.6886

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

Economy

The outlook of the economy significantly improved subsequent to a decline in global commodity prices. Pakistan is expected to benefit from the significant decline in international crude oil prices as oil and oil related products represent a major portion of the Country's import bill. This would in turn result in much needed economic relief on the external front and strengthen the outlook on foreign reserves besides improve disposable incomes as inflation remains in check.

In addition, Pakistan has been successful in complying with the pre-conditions attached to the extended funded facility and has been able to avail another $1.1bn during the period further strengthening the Country's foreign exchange reserves position. This has led to fiscal discipline and further build-up in confidence of other bilateral and multi-lateral donor agencies, which resulted in additional releases of Funds. In addition, Pakistan was also able to tap the international debt market where it launched its first international dollar Islamic Sukuk amounting USD 1bn.

The Government also decided to pass on the impact of a decline in oil prices where it reduced domestic oil prices. This resulted in lower inflation. State Bank of Pakistan capitalizing on the opportunity reduced the discount rate first in November by 50 basis points and then in January by 100 basis points to stand currently at 8.5%.

Despite key favorable economic points, infrastructural weaknesses including the unavailability of gas and electricity hampered Pakistan to fully capitalize on the GSP plus status. The exports to the EU countries have increased by over $900 million till September 2014. The export volume is expected to increase further while the Government is also working on a war footing it seems in order to address infrastructural weaknesses. Additional benefit of GSP Plus status is further to be realized as we expect economic improvements in the second half of FY15.

Although the reduction in oil prices bode well for inflation and overall macro economic outlook in general this resulted in revision of revenue targets on the domestic front increasing budget deficit outlook. In order to cope up with the decrease in revenue the Government decided to increase the tax on petroleum products from the earlier 17% to 27% to compensate.

The foreign reserves of the country also improved and touched $15.2 billion mark on the back of significant inflows during the first half of FY15. Two tranches worth $1.1 billion from the International Monetary Fund (IMF) and issuance of Sukuk bond worth $1 billion were major inflows to increase the reserves. Government's decision to continue the privatization process resulted in raising $387 million, $159 million and Rs. 14.4 billion by selling its stake in United Bank Limited (UBL), Pakistan Petroleum Limited (PPL) and Allied Bank Limited (ABL) respectively. Moreover, after the Government meeting the $15 billion foreign reserves threshold, it is expecting to receive another $500 million from IBRD.

Improving economic conditions and outlook along with Government's stance and national consensus on addressing the menace of war on terror we believe will open a new era in the history of Pakistan.

Money Market

During 1HFY15 State Bank of Pakistan (SBP) auctioned T-Bills and PIB's of various maturities. In total 13 T-Bills auctions were conducted during the period, where the Government managed to raise PKR 1.615 trillion, while the majority of the amount (PKR 0.975 trillion) was raised during the 2Q of the 1HFY15. During 1HFY2015, weighted average yield on 3, 6, 12-months T-Bills were 9.84%, 9.85%, 9.83% respectively. Due to low inflation and improving economic conditions SBP reduced discount rate by 50bps during November 2014. SBP also conducted 6 auctions of PIB's and managed to raise PKR 660 billion during the 1HFY2015. In the 2QFY2015, Government raised 53% of the total amount raised in 1HFY15, which is PKR 354 billion. The weighted average maturities yield on 3, 5, 10 years PIB's stood at 11.75%, 12.15%, 12.75% respectively.

Equity Market

Although gains had been a meager 0.25% during the first Quarter of the fiscal year 2015, however in the second quarter KSE-100 index witnessed hefty returns clocking in at 8.09%. Initial lackluster performance was primarily on the back of uncertain political situation of the country. However, subsequent to the end of the protests staged by a key opposition party against the Government, we believe the focus will shift back to economic reforms.

KSE-100 Index crossed the 32,000 level reaching an all time high of 32,131. Investor confidence was also supported by Moody' outlook upgrade for Pakistan from negative to stable while keeping its rating unchanged, followed by another upgrade in the outlook on the big-5 commercial banks. Average daily turnover clocked at PKR 9.356 billion, almost remain stable compared to 2HFY2014 PKR9.406 billion. The small reduction is due to political uncertainty and shorter trading hours prevailing in the month of RAMADAN.

During 1HFY2015 State bank of Pakistan reduced discount rate by 50 basis points because of lower inflation and increasing foreign reserves receiving IMF tranches, energy and infrastructure investment anticipation of $42 billion from China and issuance of Eurobonds/Sukuk.

IPO's of two reputed companies "Engro Powergen Qadirpur" and "Saif Power" and secondary offering of Allied Bank also hit the stock market during 1HFY2015 and were well received by the market. Two further IPO's of "Systems Ltd" and "Synthetic Products Enterprises Ltd" were heavily oversubscribed during the book building process. Some pending merger and acquisition transactions also took place namely Bestway cements acquisition of a 75.9% stake in Lafarge cements making it one of the largest manufacturing groups in Pakistan.

Analyzing the sector performance during the period under review, electricity and cements were the major leaders putting a return of 46.04% & 30.41% respectively during the 1HFY2015 owed to reduced furnace oil price and later discount rate cut.

However, a sharp decline in the crude and furnace oil prices in the international market put the Oil & Gas sector in back door registering a negative return of -19.80% during the 1HFY2015.

Future Outlook

The stock market again made history as the benchmark KSE-100 Index landmarked the 34,000 points level. We believe that the equity market will continue to gain investors' confidence as a result of lesser political stress and pro-business attitude of current government. The external account burden is likely to reduce further on the back of continuous fall in the international commodity prices. Resultantly, the stabilization of lower inflation will enhance the disposable income of consumers. The relaxation in the monetary policy with higher disposable income of consumer is expected to bring healthy marginal additions in growth of the country's output. Moreover, a further expectation of 50-100 basis points cut in the upcoming monetary policy will further augment economic activity in the country. Ultimately, the combined impact of all positive economic developments will keep the inflation numbers in check and improve the corporate profitability of manufacturing industry.

The expected significant energy and infrastructure centric investment from China will help overcome the severe energy crisis, along with large improvements at industrial level. After the successful first phase of the Government's privatization program it is expected to continue going forward, which will continue to support the external account.

However, the tightening of the US monetary policy could draw down the foreign portfolio investments from the frontier markets, but with the real interest rates ranging between 2% to 3% Pakistan is one of the safer frontier markets in terms of foreign flows.

Pakistani equities looked all set for another year of stellar returns where we believe KSE-100 Index still has the potential to witness growth on the back of improving macro-economic environment, continuation of the privatization process, expectations of a further 50 basis points cut in policy rate by State Bank of Pakistan in the next monetary policy meeting, ample local and foreign liquidity, political stability as all parties front a unified stand in the wake of recent terrorism and attractive relative valuations with the KSE where it continues to be the cheapest in the region.

xi) Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of Fund Manager's report, not otherwise disclosed in the financial statements.

There were no significant changes in the state of affairs during the period and up till the date of the Fund Manager's report under review.

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

There was no unit split during the period.

xiii) Break down of unit holdings by size:

Range (Units)	No. of Investors
0.1 - 9,999	341
10,000 - 49,999	72
50,000 - 99,999	23
100,000 - 499,999	23
500,000 and above	4
Total	**463**

xiv) Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker (s) or dealers by virtue of transaction conducted by the Collective Investment Scheme:

No soft commission has been received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

TRUSTEE REPORT TO THE UNIT HOLDERS

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 months period ended December 31, 2014 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 pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; 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.

Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 27, 2015

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of AKD Opportunity Fund ("the Fund") as at 31 December 2014 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the condensed interim financial information for the six months period then ended(here-in-after referred to as the "condensed interim financial information"). Management Company is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information 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 information 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 information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures for the three months ended 31 December 2014 in the condensed interim financial information have not been reviewed and we do not express a conclusion on them.

KPMG Taseer Hadi & Co.
Chartered Accountants
Amyn Pirani

Karachi: February 24, 2015

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT 31 DECEMBER 2014

	Note	31 December 2014 (Unaudited)	30 June 2014 (Audited)
		(Rupees in '000)	
Assets			
Bank balances	5	**40,032**	12,488
Investments	6	**902,326**	985,670
Dividend, prepayment, profit and other receivable	7	**2,508**	181
Security deposits		**2,600**	2,600
Total assets		**947,466**	1,000,939
Liabilities			
Remuneration payable to the Management Company	13.2	**1,393**	1,674
Remuneration payable to the Trustee	13.2	**137**	160
Annual fee payable to Securities and Exchange Commission of Pakistan		**382**	854
Payable against purchase of investments (subsequently paid)		**33,541**	-
Amount payable on redemption of units (subsequently paid)		**1,364**	177,095
Accrued expenses and other liabilities	8	**5,452**	4,334
Provision for Workers' Welfare Fund	10	**20,695**	17,743
Unclaimed dividend		**11**	11
Total liabilities		**62,975**	201,871
Contingencies and commitments	11		
Net assets		**884,491**	799,068
Unit holders' fund (as per statement attached)		**884,491**	799,068
		(Number of Units)	
Number of units in issue		**13,465,903**	14,543,645
		(Rupees)	
Net assets value per unit (face value per unit Rs. 50/-)		**65.68**	54.94

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2014

	Note	Six months period ended 31 December		Three months period ended 31 December	
		2014	2013	**2014**	2013
		(Rupees in '000)			
Income					
Gain on sale of 'held for trading investments' - net		**69,780**	76,820	**54,359**	34,363
Dividend income from held for trading investments		**8,779**	16,860	**6,778**	11,092
Profit on bank balances		**889**	1,006	**498**	446
Profit on investment in debt securities		**40**	-	**-**	-
Unrealised appreciation in the fair value of investments 'at fair value through profit or loss - held for trading' - net		**79,398**	75,274	**74,357**	92,785
		158,886	169,960	**135,992**	138,686
Expenses					
Remuneration to the Management Company		**8,052**	8,557	**4,031**	4,320
Remuneration to the Trustee		**805**	856	**403**	432
Annual fee to the Securities and Exchange Commission of Pakistan		**382**	406	**191**	205
Securities transaction cost		**1,451**	1,567	**1,032**	731
Auditors' remuneration		**152**	140	**89**	80
Other expenses	9	**2,955**	3,429	**1,501**	1,729
		13,797	14,955	**7,247**	7,497
Net income from operating activities		**145,089**	155,005	**128,745**	131,189
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed - net		**2,499**	516	**7,532**	(11,844)
Provision for Workers' Welfare Fund	9	**(2,952)**	(3,110)	**(2,726)**	(2,386)
Net income for the period before taxation		**144,636**	152,411	**133,551**	116,959
Taxation	11	**-**	-	**-**	-
Net income for the period after taxation		**144,636**	152,411	**133,551**	116,959

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2014

	Six months period ended 31 December		Three months period ended 31 December	
	2014	2013	**2014**	2013
	(Rupees in '000)			
Net income for the period	**144,636**	152,411	**133,551**	116,959
Other comprehensive income for the period	**-**	-	**-**	-
Total comprehensive income for the period	**144,636**	152,411	**133,551**	116,959

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala	**Nadeem Saulat Siddiqui**
Chief Executive Officer	Director

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2014

	Six months period ended 31 December		Three months period ended 31 December	
	2014	2013	**2014**	2013
	(Rupees in '000)			
Surplus / (Deficit) at beginning of the period				
Represented by:				
- Realised	**(174,595)**	(70,398)	**(140,206)**	(139,292)
- Unrealised	**171,756**	108,530	**148,452**	63,195
	(2,839)	38,132	**8,246**	(76,097)
Net income for the period	**144,636**	152,411	**133,551**	116,959
Distribution:				
Distribution through issue of bonus units during the period ended 31 December 2014: Rs. Nil per unit (2013 : Bonus units issued for the year ended 30 June 2013 at the rate of Rs.13.5 per unit distributed on 08 July 2013)	**-**	(149,681)	**-**	-
	144,636	2,730	**133,551**	116,959
Surplus at end of the period	**141,797**	40,862	**141,797**	40,862
Represented by:				
- Realised	**(52,179)**	(83,481)	**(52,179)**	(83,481)
- Unrealised	**193,976**	124,343	**193,976**	124,343
	141,797	40,862	**141,797**	40,862

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2014

	Six months period ended 31 December		Three months period ended 31 December	
	2014	2013	**2014**	2013
	(Rupees in '000)			
Net assets at beginning of the period	**799,068**	675,980	**827,677**	820,572
Cash received on issue of 4,139,040 (2013: 7,311,727) units*	**239,082**	215,481	**126,628**	55,533
Cash paid on redemption of 5,216,782 (2013: 3,566,782) units	**(295,796)**	(186,880)	**(195,833)**	(148,432)
	(56,714)	28,601	**(69,205)**	(92,899)
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed - net	**(2,499)**	(516)	**(7,532)**	11,844
Total comprehensive income for the period (profit for the period)	**144,636**	152,411	**133,551**	116,959
Net assets at end of the period	**884,491**	856,476	**884,491**	856,476
	(Rupees)			
Net assets value / Ex-distribution net asset value per unit at beginning of the period	**54.94**	47.47	**55.69**	49.61
Net assets value per unit at end of the period	**65.68**	57.74	**65.68**	57.74

* This includes Nil (2013: 3,153,288) units issued as bonus units.

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2014

	Six months period ended 31 December		Three months period ended 31 December	
	2014	2013	**2014**	2013
	-------------------(Rupees in '000)-------------------			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period	**144,636**	152,411	**133,551**	116,959
Adjustments for:				
Net unrealised appreciation in the fair value of investments 'at fair value through profit or loss - held for trading'	**(79,398)**	(75,274)	**(74,357)**	(92,785)
Profit on bank balances	**(889)**	(1,006)	**(498)**	(446)
Element of (income) / loss and capital (gains) / losses - net included in prices of units sold less those in units redeemed - net	**(2,499)**	(516)	**(7,532)**	11,844
	61,850	75,615	**51,164**	35,572
(Increase) / decrease in assets				
Investments	**162,742**	(128,135)	**(4,065)**	37,298
Dividend, prepayment, profit and other receivable	**(2,332)**	222	**(568)**	3,678
Amount receivable on sale of units	**-**	3	**-**	-
Profit received on bank balances	**894**	981	**503**	345
	161,304	(126,929)	**(4,130)**	41,321
Increase / (decrease) in liabilities				
Remuneration payable to the Management Company	**(281)**	307	**37**	49
Remuneration payable to the Trustee	**(23)**	31	**3**	5
Annual fee payable to the Securities and Exchange Commission of Pakistan	**(472)**	(16)	**191**	205
Payable against purchase of investments	**33,541**	(3,484)	**33,541**	-
Payable on redemption of units	**(175,731)**	(12,262)	**(7,014)**	199
Accrued expenses and other liabilities	**1,118**	1,045	**464**	877
Provision for Workers' Welfare Fund	**2,952**	3,110	**2,726**	2,387
	(138,896)	(11,269)	**29,948**	3,722
Net cash generated from / (used in) operating activities	**84,258**	(62,583)	**76,982**	80,615
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash received on issuance of units	**239,082**	215,481	**126,628**	55,533
Cash paid on redemption of units	**(295,796)**	(186,880)	**(195,833)**	(148,432)
Net cash (used in) / generated from financing activities	**(56,714)**	28,601	**(69,205)**	(92,899)
Net increase / (decrease) in cash and cash equivalents during the period	**27,544**	(33,982)	**7,777**	(12,284)
Cash and cash equivalents at beginning of the period	**12,488**	37,694	**32,255**	15,996
Cash and cash equivalents at end of the period	**40,032**	3,712	**40,032**	3,712

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2014

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Opportunity Fund (the Fund) has been established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. The Fund is governed under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008. It has been constituted under the trust deed, dated 19 December 2005, between AKD Investment Management Limited (AKDIML) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was Executed on 7 December 2005 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 19 December 2005 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. Accordingly title to the assets of the Fund is held in the name of Central Depository Company Limited as a Trustee of the Fund. The Fund is registered as notified entity under NBFC Regulations, 2008.

The Fund is an open end mutual fund and is listed on Karachi Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund. Title to the assets of the Fund is held in the name of Central Depository Company Limited as a trustee of the Fund.

The Fund shall invest at least 70% of its net assets in listed equity securities and the remaining net assets shall be invested in cash or near cash instruments which include cash in bank accounts (excluding TDRs) and treasury bills not exceeding 90 days maturity.

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

The Pakistan Credit Rating Agency Ltd. (PACRA) has assigned an asset management rating of 'AM3' to the management company and performance ranking of '5-Star' (Long-term) and '4-Star' (Short-term) to the Fund on 26 September 2014 and 8 April 2014 respectively.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of / or directives issued by the SECP have been followed.

2.2 This condensed interim financial information does not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended 30 June 2014.

2.3 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (g) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and are unaudited. However, a limited scope review has been carried out by the auditors in accordance with the requirements of clause (xix) of the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan.

3. SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and methods of computation followed for the preparation of this condensed interim financial information are the same as those applied in preparing the financial statements as at and for the year ended 30 June 2014.

In preparing this condensed interim financial information, Management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by Management in applying the Fund’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended 30 June 2014.

4. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2014.

5. BANK BALANCES	**Note**	**31 December 2014 (Unaudited)**	30 June 2014 (Audited)
		(Rupees in '000)	
Profit and loss sharing accounts	*5.1*	**40,017**	12,464
Current accounts		**15**	24
		40,032	12,488

5.1 These represent profit and loss sharing accounts maintained with various banks carrying mark-up rates ranging from 6.5% to 8.5% (30 June 2014: 6% to 10.5%) per annum.

6. INVESTMENTS

Investments in securities at fair value through profit or loss - held for trading

Listed equity securities	*6.1*	**902,326**	935,786
Government securities	*6.2*	**-**	49,884
		902,326	985,670

6.1 Listed equity securities - Held for trading

Sectors / companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	**Holding at beginning of the period 1 July 2014**	**Acquired during the period**	**Bonus / Right / Split shares received during the period**	**Disposed during the period**	**Holding at end of the period 31 December 2014**	**Cost as of the period ended 31 December 2014**	**Carrying value before revaluation as of the period ended 31 December 2014**	**Market value as of the period ended 31 December 2014 (revised carrying value)**	**Percentage in relation to Net assets of the fund**	**Percentage in relation to Paid-up capital of the investee company (with face value of investments)**	**Percentage in relation to Total market value of investment**
	(Number of Shares)					(Rupees in '000)			(Percentage)		
Commercial Banks											
Askari Bank Limited	181,500	-	-	181,500	-	-	-	-	-	-	-
Allied Bank Limited	-	609,375	-	-	609,375	67,031	67,031	69,213	7.83	0.05	7.67
Bank AL Habib Limited	224,028	-	-	224,028	-	-	-	-	-	-	-
Bank Alfalah Limited	1,000,000	-	-	1,000,000	-	-	-	-	-	-	-
Bank Islami Pakistan Limited	1,728,000	-	156,786	11,000	1,873,786	12,789	18,240	18,382	2.08	0.35	2.04
Faysal Bank Limited	45,500	-	-	45,500	-	-	-	-	-	-	-
National Bank Of Pakistan	-	603,000	-	100,000	503,000	32,737	32,737	34,938	3.95	0.02	3.87
NIB Bank Limited	823,471	1,000,000	-	-	1,823,471	5,939	4,036	4,230	0.48	0.02	0.47
Samba Bank Limited	412,000	-	-	-	412,000	1,957	2,744	2,884	0.33	0.04	0.32
Summit Bank Limited	8,640,500	-	-	-	8,640,500	28,053	28,946	38,450	4.35	0.80	4.26
						148,506	**153,734**	**168,097**			
Non Life Insurance											
Adamjee Insurance Company Limited	285,500	590,000	-	100,000	775,500	37,222	36,680	38,356	4.34	0.69	4.25
Askari General Insurance Company Limited	561,500	-	-	280,000	281,500	5,046	4,926	7,713	0.87	0.72	0.85
TPL Direct Insurance Company	225,000	7,500	-	-	232,500	2,453	3,083	5,987	0.68	0.51	0.66
						44,721	**44,690**	**52,056**			
Personal Goods (Textile)											
Crescent Fibres Limited	37,000	-	-	-	37,000	1,038	1,100	1,153	0.13	0.30	0.13
Ellcot Spinning Mills Limited	120,638	175,000	-	-	295,638	19,616	24,945	24,674	2.79	2.70	2.73
Fazal Cloth Mills Limited	600	-	-	-	600	56	93	91	0.01	0.00	0.01
Island Textile Mills Limited	30,500	50	-	-	30,550	5,077	26,278	25,204	2.85	6.11	2.79
Saif Textile Mills Limited	100,000	41,000	-	-	141,000	2,529	3,729	3,763	0.43	0.53	0.42
Samin Textiles Limited	53,500	-	-	-	53,500	440	722	749	0.08	0.20	0.08
Service Industries Limited	21,536	-	-	21,536	-	-	-	-	-	-	-
						28,756	**56,866**	**55,634**			
Construction and Materials											
Akzo Nobel Pakistan Limited	47,000	-	-	47,000	-	-	-	-	-	-	-
Balochistan Glass Limited	1,300,000	-	-	-	1,300,000	9,076	8,450	7,020	0.79	0.76	0.78
Berger Paints Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
Buxly Paints Limited	6,500	25,000	-	-	31,500	1,356	1,412	1,307	0.15	2.19	0.14
Dewan Cement Limited	7,494,000	-	-	2,065,500	5,428,500	35,849	39,737	42,125	4.76	1.40	4.67
Lafarge Pakistan Cement Limited	3,000,000	1,500,000	-	4,500,000	-	-	-	-	-	-	-
Javedan Corporation Limited Letter of Right	-	200,000	-	-	200,000	2,800	2,800	3,558	0.40	0.03	0.39
Shabbir Tiles and Ceramics	-	64,000	-	-	64,000	587	587	724	0.08	0.04	0.08
						49,668	**52,985**	**54,734**			
Oil and Gas											
Attock Refinery Limited	39,400	-	-	39,400	-	-	-	-	-	-	-
National Refinery Limited	45,600	6,700	-	45,600	6,700	1,290	1,290	1,238	0.14	0.01	0.14
						1,290	**1,290**	**1,238**			
Multiutilities (Gas and Water)											
Sui Northern Gas Pipelines Limited	3,033,000	400,000	-	1,225,000	2,208,000	50,092	50,316	63,392	7.17	0.38	7.03
Sui Southern Gas Company Limited	2,744,000	105,000	-	1,148,500	1,700,500	46,519	62,125	65,945	7.46	0.19	7.31
						96,611	**112,441**	**129,337**			

Sectors / companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at beginning of the period 1 July 2014	Acquired during the period	Bonus / Right / Split shares received during the period	Disposed during the period	Holding at end of the period 31 December 2014	Cost as of the period ended 31 December 2014	Carrying value before revaluation as of the period ended 31 December 2014	Market value as of the period ended 31 December 2014 (revised carrying value)	Percentage in relation to: Net assets of the fund	Percentage in relation to: Paid-up capital of the investee company (with face value of investments)	Percentage in relation to: Total market value of investment
	(Number of Shares)					(Rupees in '000)			(Percentage)		
Industrial Metals and Mining											
Huffaz Seamless Pipe Industries Limited	297,675	-	-	8,000	289,675	8,111	5,895	6,909	0.78	0.52	0.77
International Industries Limited	277,000	98,000	-	375,000	-	-	-	-	-	-	-
International Steels Limited	-	1,100,000	-	1,100,000	-	-	-	-	-	-	-
						8,111	**5,895**	**6,909**			
Industrial Transportation											
Pakistan National Shipping Corporation Limited	136,970	-	-	136,970	-	-	-	-	-	-	-
Fixed Line Telecommunication											
Pak Datacom Limited	304,227	-	-	-	304,227	22,968	23,273	23,638	2.67	3.10	2.62
Telecard Limited	2,000,000	-	-	-	2,000,000	11,200	8,240	6,620	0.75	0.67	0.73
						34,168	**31,513**	**30,258**			
Chemicals											
Archroma Pakistan Limited	50,000	-	-	-	50,000	14,808	16,453	28,548	3.23	0.15	3.16
Arif Habib Corporation Limited	150,000	-	-	150,000	-	-	-	-	-	-	-
Biafo Industries Limited (Related party)	249,900	6,000	-	255,900	-	-	-	-	-	-	-
Engro Corporation Limited	100,000	-	-	100,000	-	-	-	-	-	-	-
Engro Fertilizer Limited	163,500	655,000	-	818,500	-	-	-	-	-	-	-
Engro Polymer & Chemicals	481,500	-	-	386,000	95,500	1,557	1,292	1,146	0.13	0.01	0.13
Nimir Industrial Chemical Limited	2,124	-	-	-	2,124	14	53	54	0.01	0.00	0.01
						16,379	**17,798**	**29,748**			
General Industrials											
Macpac Films Limited	309,500	-	-	-	309,500	6,042	5,237	5,911	0.67	0.80	0.66
Merit Packaging Limited	1,740,250	-	-	258,000	1,482,250	20,044	27,955	31,527	3.56	3.68	3.49
Thal Limited (Face value of Rs. 5 each)	310,100	30,000	-	114,500	225,600	40,743	46,825	60,693	6.86	0.28	6.73
						66,829	**80,017**	**98,131**			
Pharma and Bio Tech											
Otsuka Pakistan Limited	185,758	-	-	185,758	-	-	-	-	-	-	-
Media											
Hum Network Limited (Face value of Rs. 1 each)*	80,000	94,000	96,300	163,300	107,000	**1,249**	**1,221**	**1,572**	0.18	0.21	0.17
Support Services											
TRG Pakistan Limited (note 6.1.1 & 6.1.2)	7,236,624	-	1,126,641	-	8,363,265	**60,107**	**112,796**	**121,769**	13.77	1.88	13.50
Food Producers											
Noon Sugar Mills Limited	403,370	11,000	-	414,370	-	-	-	-	-	-	-
Engro Foods Limited	-	560,800	-	-	560,800	59,810	59,809	60,869	6.88	1.54	6.75
Quice Food Limited	347,000	2,904,500	-	651,500	2,600,000	20,778	20,779	19,682	2.23	4.98	2.18
S.S Oil Mills Limited	-	105,500	-	-	105,500	4,594	4,594	4,959	0.56	1.86	0.55
Shakarganj Mills Limited	1,349,500	194,500	-	-	1,544,000	27,682	25,662	24,936	2.82	2.22	2.76
						112,864	**110,844**	**110,446**			

Sectors / companies (Ordinary shares have a face value of Rs 10 each unless stated otherwise)	Holding at beginning of the period 1 July 2014	Acquired during the period	Bonus / Right / Split shares received during the period	Disposed during the period	Holding at end of the period 31 December 2014	Cost as of the period ended 31 December 2014	Carrying value before revaluation as of the period ended 31 December 2014	Market value as of the period ended 31 December 2014 (revised carrying value)	Percentage in relation to Net assets of the fund	Percentage in relation to Paid-up capital of the investee company (with face value of investments)	Percentage in relation to Total market value of investment
	(Number of Shares)					(Rupees in '000)			(Percentage)		
Technology Hardware and Equipment											
TPL Trakker Limited	4,373,458	-	-	329,500	4,043,958	**32,656**	**33,524**	**32,433**	3.67	1.86	3.59
Foresty (Paper & Board)											
Century Paper & Board Mills Limited	215,000	-	-	173,500	41,500	1,921	2,212	2,250	0.25	0.03	0.25
Pakistan Paper Products Limited	-	76,500	-	76,500	-	-	-	-	-	-	-
						1,921	**2,212**	**2,250**			
Health Care Equipments And Services											
Shifa International Hospitals Limited	19,000	-	-	19,000	-	**-**	**-**	**-**	-	-	-
Electronic and Electrical Goods											
Pakistan Cables Limited	28,000	20,200	-	-	48,200	**4,514**	**5,100**	**7,714**	0.87	0.17	0.85
Total as at 31 December 2014						**708,350**	**822,928**	**902,326**			
Total as at 30 June 2014						764,030	804,295	935,786			

6.1.1 These include 2.5 million shares having market value of Rs. 36.4 million of TRG Pakistan Limited as pledged with National Clearing Company of Pakistan Limited as on 31 December 2014.

6.1.2 Investment in the listed equity shares of TRG Pakistan Limited exceeded the maximum limit prescribed by the regulation 55(5) of the NBFC regulations. However, subsequent to the period ended 31 December 2014, excess exposure has been regularized.

* The bonus reflected in this scrip represents the splitting of each share of the Company into 10 shares during the period.

6.2 Government Securities

Government Securities	Holding at beginning of the period 1 July 2014	Acquired during the period	Disposed during the	Holding at end of the period 31 December 2014	Amortized cost as at 31 December 2014 (before revaluation)	Market value as at 31 December 2014 (carrying value after revaluation)	Percentage in relation to Net assets of the fund	Percentage in relation to Paid-up capital of the investee company (with face value of investments)	Percentage in relation to Total market value of investment
	(Number of bills)				(Rupees in '000)				
- Treasury Bills - 3 months (face value of Rs. 5,000 each)	10,000	-	10,000	-	-	-	-	-	-

7.	DIVIDEND, PREPAYMENT, PROFIT AND OTHER RECEIVABLE	Note	31 December 2014 (Unaudited)	30 June 2014 (Audited)
			(Rupees in '000)	
	Dividend receivable		**1,250**	-
	Prepayments		**25**	-
	Markup receivable		**176**	181
	Receivable against conversion of units		**1,057**	-
			2,508	181

8.	ACCRUED EXPENSES AND OTHER PAYABLES	Note	31 December 2014 (Unaudited)	30 June 2014 (Audited)
	Auditors' remuneration		**126**	200
	Brokerage payable		**368**	366
	Sind Sales Tax on Management remuneration	*8.1*	**242**	311
	Federal Excise Duty on Management remuneratic	*8.2*	**4,274**	2,985
	Withholding tax payable		**30**	3
	Unclaimed redemptions		**32**	32
	Others		**380**	436
			5,452	4,334

8.1 During the current year, an amount of Rs.1.401 million was charged on account of sales tax on Management fee levied through Sindh Sales Tax on Services Act, 2011. As at period end, sales tax on Management Company remuneration of Rs. 0.242 million was due, which was paid subsequent to the period end to the Management Company, for onwards payment to the Government of Sindh.

8.2 The Finance Act, 2013 introduced an amendment to Federal Excise Act 2005 where by Federal Excise Duty (FED) has been imposed at the rate of 16% of the services rendered by assets management companies. However MUFAP has filed a petition in the Sindh High Court (SHC)challenging the levy of FED on assets management services. The SHC in its short order of September 2013 directed the FBR not to take any coercive action against the petitioners pursuant to impugned notices till next date of hearing. In view of uncertainty regarding the applicability of FED on asset management services, the management, as a matter of abundant caution, has decided to maintain the provision for FED amounting to of Rs. 4.274 million as at 31 December 2014. Had the said provision of FED not been recorded in the books of account of the Fund, the NAV of the Fund would have been higher by Re. 0.32 / 0.48%.

9.	Other Expenses	31 December 2014 (Unaudited)	31 December 2013 (Unaudited)
		(Rupees in '000)	
	Printing and stationery	**20**	132
	National Clearing Company of Pakistan Limited charges	**158**	127
	Central Depository Company of Pakistan Limited charges	**42**	43
	Karachi Stock Exchange listing fee	**30**	25
	Credit rating fee	**-**	131
	Bank charges	**16**	14
	Federal excise duty	**1,288**	1,369
	Sales tax on Management Company's remuneration	**1,401**	1,588
		2,955	3,429

10. PROVISION FOR WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971(WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending for adjudication.

During the year 2011, a single bench of the Lahore High Court (LHC) in a constitutional petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. However, in the month of March 2013, a larger bench of the Sindh High Court (SHC) in various constitutional petitions declared that amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, do not suffer from any constitutional or legal infirmity and overruled a single-member LHC bench judgement issued in August 2011. However, the Honourable Peshawar High Court on 29 May 2014 on a petition filed by certain aggrieved parties (other than the mutual funds) have adjudicated that the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through the Finance Acts of 1996 and 2009 lacks the essential mandate to be introduced and passed through the money bill under the Constitution of Pakistan and hence have been declared as ultra vires the Constitution.

However, as per the advice of legal counsel of MUFAP, the stay granted to CIS (as mentioned in the first paragraph) remains intact and the constitution petitions filed by the CIS to challenge the Workers' Welfare Fund contribution have not been affected by the SHC judgment.

As the matter relating to levy of WWF is currently pending in the Court, the Management Company, as a matter of prudence and abundant caution, has decided to make provision for WWF amounting to Rs. 20.695 million up to 31 December 2014.

Had the above recognition not been made, the net assets value per unit of the Fund would be higher by Rs. 1.54 / 2.34%.

11. CONTINGENCIES AND COMMITMENTS

There are no contingencies or commitments at the period end.

12. 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. 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 unrealized capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management company intends to distribute at least 90 percent of the Fund's accounting income for the year ending 30 June 2015 as reduced by capital gains (whether realised or unrealised) to its unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

13. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include AKD Investment Management Limited (AKDIML), being the asset management company of the Fund, Aqeel Karim Dhedhi Securities (Private) Limited, AKD Securities Limited (holding company of the management company) being the related parties of the Management company, Central Depository Company of Pakistan Limited being the trustee, associated companies of the Management Company / holding company of management company and other associates, other collective investment schemes managed by the Management Company and directors and key management personnel of the Management Company and above entities and also includes entities holding 10% or more in the units of the Fund as at 31 December 2014. It also includes staff retirement funds of the above connected persons / related parties and entities in which the above parties or their connected persons have a material interest. All related party transactions have been transacted at arm's length basis.

Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of Non-Banking Finance Companies and Notified Entities Regulations, 2008, and the Trust Deed respectively. Purchase and redemptions of the Fund's units by the connected persons / related parties are recorded at the applicable net asset value per unit. Other transactions are recorded in accordance with the agreed terms.

13.1 Details of transactions with connected persons/related parties during the period

	Six months period ended 31 December	
	2014	2013
	(Unaudited)	(Unaudited)
	(Rupees in '000)	
AKD Investment Management Limited - Management Company of the Fund		
Remuneration	**8,052**	8,557
Sindh Sales tax on Management Company's Remuneration*	**1,401**	1,588
Federal excise duty on Management Company's Remuneration*	**1,288**	1,369
Sales load	**578**	201
Units issued - 248,459 (2013: 446,594) units	**12,083**	21,906
Units redeemed - 89,108 (2013: 677,766) units	**5,300**	33,380
Issue of bonus - Nil (2013: 51,188) units	**-**	2,430
Gain on redemption of units - net (earned by the investor)	**981**	833
Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund		
Issue of bonus - Nil (2013: 10,711) units	**-**	508
National Bank of Pakistan (having invested more than 10% in the units of the fund in 2013)		
Issue of bonus - Nil (2013: 1,104,831) units	**-**	52,446

* Sales tax and FED is paid / payable to the management company for onwards payment to the Government.

	Six months period ended 31 December 2014 (Unaudited)	2013 (Unaudited)
	(Rupees in '000)	
Sindh Province Pension Fund (having invested more than 10% in the units of the fund in 2013)		
Issue of bonus - Nil (2013: 367,443) units	-	17,443
(at 31 December 2014 the above entity was not a connected person)		
KAPCO Employees Pension Fund Trust (having invested more than 10% in the units of the fund in June 2014)		
Units issued - 394,696 (2013: 900,323) units	25,944	46,310
Units redeemed - 734,892 (2013: 1,140,078) units	41,021	62,134
Loss / gain on redemption of units - net (incurred / earned by the investor)	(10,207)	4,606
AKD Investment Management Limited - Staff Provident Fund		
Issue of bonus - Nil (2013: 14,752) units	-	700
Units issued - 87,678 (2013: Nil) units	5,007	-
Units redeemed - 93,464 (2013: Nil) units	5,402	-
Loss on redemption of units - net (incurred by the investor)	(293)	-
AKD Securities Limited - Brokerage House		
Commission paid on purchase and sale of marketable securities	88	72
Golden Arrow Selected Stocks Fund Limited (Fund managed by the Management company)		
Sale of 650,000 shares of Sui Northern Gas Pipelines Limited by the Fund	15,269	-
Sale of 100,000 shares of BIAFO Industries Limited by the Fund	17,505	-
Sale of 76,500 shares of Pakistan Paper Products Limited by the Fund	4,896	-
Sale of 35,000 shares of Thall Limited by the Fund	9,070	-
Sale of 187,500 shares of Fatima Fertilizer Company Limited by the Fund	-	5,248
Ms. Ayesha Aqeel - close relative of Mr. Aqeel Karim Dhedhi		
Purchase of 299,900 shares of BIAFO Industries Limited by the Fund	-	29,990
Ms. Yasmeen Dhedhi - close relative of Mr. Aqeel Karim Dhedhi		
Purchase of 175,000 shares of BIAFO Industries Limited by the Fund	-	17,500
Sale of 50,000 shares of BIAFO Industries Limited by the Fund	-	5,000
Directors of the Management Company (Key management person)		
Issue of bonus units - Nil (2013: 2,523) units	-	120
Redemption of units - Nil (2013: 3,850) units	-	200
Gain on redemption of units - net (earned by the investor)	-	49
Central Depository Company of Pakistan - Trustee of the Fund		
Remuneration	805	856
Central depository service charges	42	43

	As at 31 December 2014 (Unaudited)	As at 30 June 2014 (Audited)
13.2 Balance as at period / year ended	**(Rupees in '000)**	
AKD Investment Management Limited - Management Company of the Fund		
Remuneration payable	**1,393**	1,674
Sales tax payable on Management Company's Remuneration*	**242**	311
Sales load payable	**268**	86
Federal Excise Duty payable on Management Company's Remuneration*	**4,274**	2,985
Units Outstanding - 159,351 (June 2014: Nil)	**10,466**	-
Central Depository Company of Pakistan - Trustee		
Remuneration payable	**137**	160
Security deposit	**100**	100
CDS charges	**8**	13
AKD Securities Limited- Brokerage House		
Brokerage payable on purchase and sale of marketable securities	**5**	44
AKD Index Tracker Fund (Fund Managed by the Management Company)		
Receivable against conversion of units	**1,057**	-
Arabian Sea Enterprises Limited (having invested more than 10% in the units of the fund)		
Units outstanding - 1,843,650 (13.71% of the total units in issue as at the period end) {June 2014: 1,843,650 (12.68% of the total units in issue as at the year end)}	**121,098**	101,295
KAPCO Employees Pension Fund Trust (having invested more than 10% in the units of the fund in June 2014)		
Units outstanding - 1,129,588 units (8.39% of the total units in issue as at the period end) {June 2014: 1,469,784 units (10.11% of the total units in issue as at the year end)} (at 31 December 2014 the above entity was not a connected person)	**-**	80,754
AKD Investment Management Limited Staff Provident Fund		
Units outstanding - 87,678 (June 2014: 93,464) units	**5,759**	5,135
Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund		
Units outstanding - 61,952 (June 2014: 61,952) units	**4,069**	3,401

* Sales tax and FED is paid / payable to the management company for onwards payment to the Government.

14. GENERAL

14.1 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended 31 December 2014 in this condensed interim financial information wherever appeared have not been reviewed by the auditors.

14.2 This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest of rupees.

15. DATE OF AUTHORIZATION OF ISSUE

This condensed interim financial information was authorised for issue on February 24, 2015 by the Board of Directors of the Management Company.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala	**Nadeem Saulat Siddiqui**
Chief Executive Officer	Director

AKD Investment
Management Ltd.

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