Golden Arrow
SELECTED STOCKS FUND LIMITED

3rd Quarter Report
March 31, 2018
(Un-audited)

quarterly report

Partner with AKD Profit from the Experience

AKD Investment Management Ltd.

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COMPANY INFORMATION

BOARD OF DIRECTORS

CHAIRMAN
Mr. Javaid Bashir Sheikh

DIRECTOR & CHIEF EXECUTIVE OFFICER
Mr. Imran Motiwala

DIRECTORS
Ms. Anum Dhedhi
Mr. Aurangzeb Ali Naqvi
Mr. Muhammad Siddiq Khokhar
Mr. Abdul Karim
Mr. Muzammil Abdul Karim

AUDIT COMMITTEE
Mr. Muhammad Siddiq Khokhar (Chairman)
Mr. Abdul Karim (Member)
Mr. Aurangzeb Ali Naqvi (Member)
Mr. Muhammad Yaqoob Sultan, CFA (Secretary)

CHIEF FINANCIAL OFFICER
Mr. Muhammad Munir Abdullah

COMPANY SECRETARY
Mr. Muhammad Yaqoob Sultan, CFA

HEAD OF COMPLIANCE
Mr. Rashid Ahmed

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

CUSTODIAN
Central Depository Company
of Pakistan Limited
CDC House 99-B, Block 'B'
S.M.CH.S., Main Shahra-e-Faisal,
Karachi-74400.

AUDITORS
Deloitte Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Sharah-e-Faisal
Karachi-75350, Pakistan.

LEGAL ADVISER
Ali Daraz Siddiqui
Room No. 201 Noorani Building,
Campbell Street, Opp. Distt. Court,
Karachi-74200.

REGISTERED OFFICE
216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000.

REGISTRAR & SHARE TRANSFER OFFICE
JWAFFS Registrar Services (Pvt.) Ltd.
407-408, Al Ameera Centre,
Shahrah-e-Iraq, Saddar, Karachi.
Tel: 021-35662023-24

RATING - GASSFL
PACRA: MFR 4-Star (5-year period)
PACRA: MFR 4-Star (3-year period)
PACRA: MFR 4-Star (1-year period)

RATING-MANAGEMENT COMPANY
PACRA: AM3++ (AM Three Plus Plus)

Mission Statement

To set a standard of investing in better performing and result oriented securities by adopting best business practices and ethics.

Vision

To be a leading investment Company in finanical industry with diversifying its business activities by good asset allocation and generating better financial results and yield to the stakeholders.

DIRECTORS' REPORT

DIRECTORS' REPORT

The Board of Directors of Golden Arrow Selected Stocks Fund Limited (GASSFL) is pleased to present its un-audited Financial Information for the nine month and quarter ended March 31, 2018.

FUND'S FINANACIAL PERFORMANCE

For 9MFY's 18, retrun of the Golden Arrow Selected Stocks Fund Limited (GASSFL) was -1.98% compared to the KSE-100 Index return of -2.16%, performing slightly better than the benchmark by 0.18%.

MACRO PERSPECTIVE

After achieving growth rate of 5.3% in FY17, Gross Domestic Product (GDP) is on track to record the highest growth level in over a decade in FY18. The revised GDP target is around 5.8%, marginally lower than the annual target of 6% in FY18. This marginal downward revision in GDP target is due to reduction in area under cultivation leading to chances of a below average agricultural output.

GDP continued its growth trajectory in 9MFY18 as several coincident indicators showed improvement: 1) Large Scale Manufacturing (LSM) recorded an impressive growth of 6.24% during July-Mar FY18 as compared to 4.24% during the same period last year, 2) Healthy private sector credit growth (10.02% YoY in March'18), 3) Core inflation showed signs of slowing down, clocking in at 3.78% during the 9MFY18 as compared to 4.01% last Year.

Challenges mounted on the fiscal front as the budget deficit has ballooned to Rs.796 Bn for 6MFY18 (2.02% of GDP), which is greater than half of the total fiscal deficit provisioned for the year(1.48 trillion). The major reason for the increase in deficit is that the widening budget is majorly contributed by increased current expenditure and outlay for development projects stood at a meager RS.152Bn whereas the current expenditures stand at 2.54 trillion, 62% of the annual budget. On the revenue front tax collection for the period under review is almost on track for the annual target standing at 2.02 trillion(i.e 46.7% of the annual target).

The challenges on the external front have increased to alarming levels in the 9MFY18. The Current Account Deficit (CAD) reached USD 12.3 billion (3.9% of GDP) in 9MFY18 as opposed to USD 7.99 billion (2.6% of GDP) in the corresponding period last year. The primary reason was due to increase in trade deficit (+17.3% YoY). However, Foreign Direct Investment (FDI) provided minor support to Balance of Payment (BOP), reaching USD 2.088bn in 9MFY18. As a result, SBP foreign reserves have fallen to USD 13.4 billion (-25.47 % YoY) for 9MFY18.

The monetary policy was announced in Mar-18 in which the policy rate was maintained at 6%, the main reason being; stable inflation, within target range of 5-6% and currency depreciation leading to improvements in exports

According to the latest data Large Scale Manufacturing grew by 6.24% cumulatively for 8MFY18, driven by Electronics (+38.79%YoY), Iron and Steel (+30.85%YoY), and Automobile (+19.58%YoY) sectors. This performance is expected to continue in upcoming quarter of FY18, due to improved security conditions, better energy supplies, CPEC driven activity and rising consumer demand which is also due to higher purchasing power and affordable access to credit facilities.

Overall, we believe that economic outlook for FY18 remains uncertain. Real growth is expected to be broad based with all three economic sectors likely to participate in driving the overall growth in GDP.

However, current account deficit remains a serious challenge for sustainability of real growth going forward and needs urgent remedial measures to boost foreign inflow and control unnecessary imports. Key risks can stem from any increase in international oil prices and unexpected currency depreciation in future. Moreover, fiscal deficit is expected to exceed its target as political parties continue their bid to finish development projects in election year. Rising political turmoil as elections draw nearer will also be a matter of concern in our view.

EQUITY MARKET REVIEW

During the period under review, KSE 100 index declined by 2.16%. This decline can be largely attributed to faltering investor confidence stemming from political noise and growing macro-economic concerns. Consequently, the trading volumes also dropped during the period under review. Relationship with USA remained strained, resulting in stricter policies of aid towards Pakistan. This led to uncertainty in the market.

Sector specific events also played a significant role in the equity market performance. While steel and cement sector remained in the limelight due to buoyant demand and rising product prices, banking sector dragged performance due to compliance issue and pensioner case in court. Chemical sector performance remained strong on the back of growing demand and higher product margins. Furthermore, oil production sector remained resilient to the downward trend, mainly due to upward trend in international crude prices and in-built currency hedge provided by the sector. Moreover, much awaited currency depreciation provided trigger to the market, implying higher exports and greater foreign participation, however, Autos and Pharmaceuticals were negatively affected.

We expect situation to remain uncertain based on:

1. Announcement of Federal Budget in April 2018 will determine the growth of the sectors going forward particularly for equity market. Curtailment of PSDP and looming concerns regarding imposition of new taxes remain a source of concern.

2. Amnesty scheme has been announced by PM to bring back wealth from off-shore accounts at minimum penalty rates. Successful execution of this scheme is expected to bring back 2-3 billion USD in economy.

3. Rising political noise emanating from upcoming General Elections 2018 is expected to keep the performance of equity market in check.

FUTURE OUTLOOK

Going forward, we believe that this year will be of transition, with expectations of a coalition government at the center, tight relations with USA and serious macro-economic concerns to continue to put pressure on performance. However, clarity on political front with upcoming election (market has historically returned between 13%-27% in 6M and 8%-17% in 3M preceding elections), along with improved economic management will act as a trigger for the market. Moreover, the recent downtrend in market has opened up attractive valuations. A cash rich corporate sector with healthy profits, operating in an economy with a domestic market of approximately 207 million consumers, trading at a Price-to-Earnings (PE) and Dividend Yield (DY) of 9x and 6% respectively (compared to last year high PE and DY of 12.5x and 7.5%, respectively), offers a great investment opportunity with substantial upside.

For and on behalf of the Board

Imran Motiwala
Chief Executive Officer

Karachi: April 26, 2018

FUND MANAGER'S REPORT

i) Description of the Collective Investment Scheme Category and type:

Closed End - Equity Scheme

ii) Statement of Collective Investment Scheme's investment objective:

Disciplined and balanced fund management strategy focusing on fundamentally strong companies offering deep value, coupled with few cherry picked growth companies.

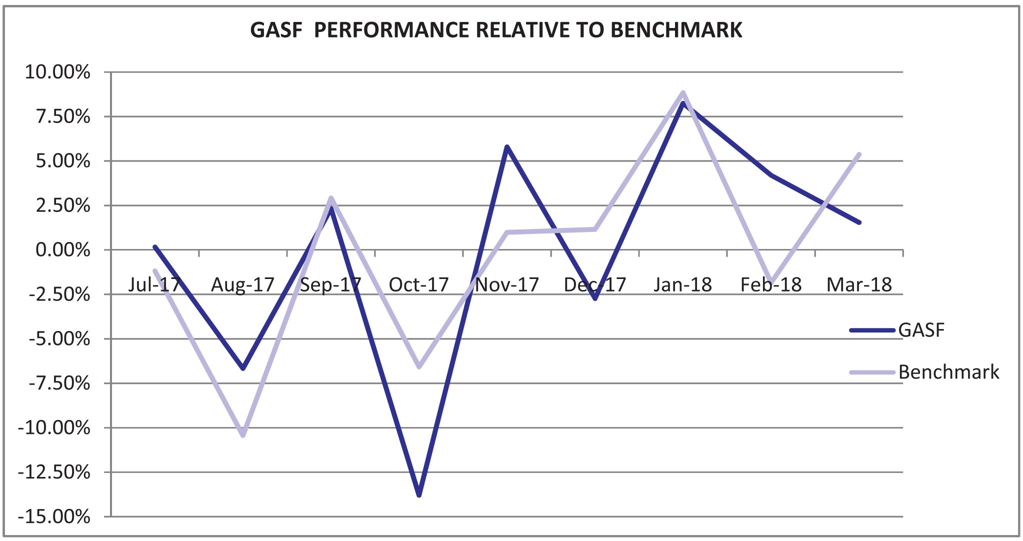
iii) Explanation as to whether Collective Investment Scheme achieved its stated Objective:

For the 9MFY18, the return of the Golden Arrow Selected Stocks Fund was -1.98% compared to the KSE-100 Index return of -2.16%.

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

KSE - 100 Index

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



Monthly yield	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
GASF	0.16%	-6.67%	2.32%	-13.80%	5.79%	-2.74%	8.24%	4.19%	1.54%
Benchmark	-1.19%	-10.44%	2.92%	-6.58%	0.99%	1.15%	8.84%	-1.84%	5.37%

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

Golden Arrow Selected Stocks Fund Limited is a closed end equity scheme. The return of Fund is generated through investment in value stocks which have strong growth potential. GASSFL 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 at the date of report and particulars of significant change in asset allocation since the last report (if applicable):

Asset Allocation (% of Total Assets)	31-Mar-18	31-Dec-17
Equities	96.06%	93.94%
Cash	3.42%	5.33%
Other Assets	0.52%	0.73%

viii) Analysis of the Collective Investment scheme's Performance:

9MFY18 Return	-1.98%
Benchmark Return	-2.16%

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

Net Asset Value			NAV Per Unit	
31-Mar-18	31-Dec-17	Change	31-Mar-18	31-Dec-17
(Rupees In "000")			Rs.	Rs.
1,669,476	1,458,528	14.46%	10.98	9.59

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

MACRO PERSPECTIVE

After achieving growth rate of 5.3% in FY17, Gross Domestic Product (GDP) is on track to record the highest growth level in over a decade in FY18. The revised GDP target is around 5.8%, marginally lower than the annual target of 6% in FY18. This marginal downward revision in GDP target is due to reduction in area under cultivation leading to chances of a below average agricultural output.

GDP continued its growth trajectory in 9MFY18 as several coincident indicators showed improvement: 1) Large Scale Manufacturing (LSM) recorded an impressive growth of 6.24% during July-Mar FY18 as compared to 4.24% during the same period last year, 2) Healthy private sector credit growth (10.02% YoY in March'18), 3) Core inflation showed signs of slowing down, clocking in at 3.78% during the 9MFY18 as compared to 4.01% last Year.

Challenges mounted on the fiscal front as the budget deficit has ballooned to Rs.796 bn for 6MFY18 (2.02% of GDP), which is greater than half of the total fiscal deficit provisioned for the year (1.48 trillion). The major reason for the increase in deficit is that the widening budget is majorly contributed by increased current expenditure and outlay for development projects stood at a meager Rs.152 bn whereas the current expenditures stand at 2.54 trillion, 62% of the annual budget. On the revenue front tax collection for the period under review is almost on track for the annual target standing at 2.02 trillion(i.e 46.7% of the annual target).

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Overall, we believe that economic outlook for FY18 remains uncertain. Real growth is expected to be broad based with all three economic sectors likely to participate in driving the overall growth in GDP. However, current account deficit remains a serious challenge for sustainability of real growth going forward and needs urgent remedial measures to boost foreign inflow and control unnecessary imports.

Key risks can stem from any increase in international oil prices and unexpected currency depreciation in future. Moreover, fiscal deficit is expected to exceed its target as political parties continue their bid to finish development projects in election year. Rising political turmoil as elections draw nearer will also be a matter of concern in our view.

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Sector specific events also played a significant role in the equity market performance. While steel and cement sector remained in the limelight due to buoyant demand and rising product prices, banking sector dragged performance due to compliance issue and pensioner case in Court. Chemical sector performance remained strong on the back of growing demand and higher product margins. Furthermore, oil production sector remained resilient to the downward trend, mainly due to upward trend in international crude prices and in-built currency hedge provided by the sector. Moreover, much awaited currency depreciation provided trigger to the market, implying higher exports and greater foreign participation, however, Autos and Pharmaceuticals were negatively affected.

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

There was no significant change in the state of affair during the period and up till the date of the Fund Manager's report.

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

There was no share split during the period.

xiii) Disclosure of circumstances that materially affect any interest of shareholders:

Investments are subject to credit and market risk.

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.

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2018

	Note	(Un-audited) 31 March 2018	(Audited) 30 June 2017
		-------- (Rupees in '000) --------	
ASSETS			
Bank balances		**60,730**	63,769
Receivable agaist sale of investments		**2,515**	-
Investments	4	**1,706,826**	1,933,029
Loans and receivables	5	**528**	1,482
Dividend and profit receivable		**3,592**	2,617
Income tax refundable		**307**	307
Security deposit and prepayments		**2,885**	2,750
Total Assets		**1,777,383**	2,003,954
LIABILITIES			
Payable against purchase of investments		**3,500**	-
Payable to the Management Company		**4,433**	5,812
Accrued and other liabilities		**19,393**	20,643
Provision for Sindh Workers' Welfare Fund		**27,540**	27,540
Unclaimed dividend		**53,041**	58,861
Total Liabilities		**107,907**	112,856
NET ASSETS		**1,669,476**	1,891,098
SHARE HOLDERS' EQUITY			
Authorised capital			
250,000,000 (June 30, 2017: 250,000,000)			
Ordinary shares of Rs.5 each		**1,250,000**	1,250,000
Issued, subscribed and paid-up capital			
152,098,344 (June 30, 2017: 152,098,344)			
Ordinary shares of Rs.5 each		**760,492**	760,492
General reserve		**500**	500
Undistributed income		**908,484**	1,130,106
		1,669,476	1,891,098
		----------- (Rupees) -----------	
NET ASSETS VALUE PER SHARE		**10.98**	12.43
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2018

	Note	Nine months ended March 31, 2018	Nine months ended March 31, 2017	Quarter ended March 31, 2018	Quarter ended March 31, 2017
		(Rupees in '000)			
Income					
Capital gain / (loss) on sale of investment - net		**(255)**	414,046	**1,409**	182,989
Dividend income		**42,061**	35,453	**6,441**	7,508
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - held-for-trading		**(60,696)**	457,193	**215,942**	(59,074)
Profit on bank deposits		**2,390**	3,921	**679**	902
Total income		**(16,500)**	910,613	**224,471**	132,325
Operating expenses					
Remuneration of the Management Company		**24,817**	31,499	**7,941**	11,193
Sales tax on management fee		**3,226**	4,095	**1,032**	1,455
Annual fee of Securities and Exchange Commission of Pakistan (SECP)		**1,179**	1,496	**377**	531
Remuneration of Custodian - Central Depository Company of Pakistan Limited (CDC)		**684**	907	**226**	304
Auditors' remuneration		**327**	305	**103**	99
Legal and professional charges		**1,488**	81	**1,308**	-
Annual listing fee		**303**	289	**99**	95
Central depository system charges		**362**	92	**10**	24
Fees and subscription		**382**	341	**125**	84
Securities transaction cost		**663**	3,074	**331**	767
Bank charges		**7**	7	**2**	2
Directors' fee and related expenses		**868**	266	**450**	75
Printing and postage		**830**	429	**204**	61
Sales tax on custodian and central depository system charges		**136**	129	**31**	42
Impairment		**754**	-	**524**	-
Advertising		**547**	166	**363**	-
Expenses allocated by the Management Company		**1,241**	1,575	**397**	560
Reversal of Workers Welfare Fund (WWF)		**-**	(54,216)	**-**	(54,216)
Sindh Workers' Welfare Fund		**-**	28,622	**-**	28,622
Total expenses		**37,814**	19,157	**13,523**	(10,302)
Net income / (loss) before taxation		**(54,314)**	891,456	**210,948**	142,627
Taxation	10	**-**	-	**-**	-
Net income / (loss) after taxation		**(54,314)**	891,456	**210,948**	142,627
Other comprehensive income for the period		**-**	-	**-**	-
Total comprehensive income / (loss) for the period		**(54,314)**	891,456	**210,948**	142,627
		(Rupees)			
Earnings per share - basic and diluted		**-0.36**	5.86	**1.39**	0.94

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

Imran Motiwala	Muhammad Munir Abdullah	Anum Dhedhi
Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2018

	Nine months ended March 31,		Quarter ended March 31,	
	2018	**2017**	**2018**	**2017**
	(Rupees in '000)			
Undistributed income brought forward	**1,130,106**	953,323	**697,536**	1,375,140
Net income/(loss) after taxation for the period	**(54,314)**	891,456	**210,948**	142,627
Final dividend for the year ended				
June 30, 2017 @ 22% (Rs.1.10 per share)	**(167,308)**	-	**-**	-
June 30, 2016 @ 21% (Rs.1.05 per share)	**-**	(159,704)	**-**	-
Interim dividend for the year ended				
June 30, 2017 @ 22% (Rs.1.10 per share)	**-**	(167,308)	**-**	-
June 30, 2017 @ 22% (Rs.1.10 per share)	**-**	(167,308)	**-**	(167,308)
Undistributed income carried forward	**908,484**	1,350,459	**908,484**	1,350,459

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2018

	Nine months ended March 31,		Quarter ended March 31,	
	2018	2017	2018	2017
	(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES				
Income / (loss) before taxation	**(54,314)**	891,456	**210,948**	142,627
Adjustments:				
Capital (Gain) / loss on sale of investments classified as financial assets at fair value through profit or loss'	**255**	(414,046)	**(1,409)**	(182,989)
Unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	**60,696**	(457,193)	**(215,942)**	59,074
	6,637	20,217	**(6,403)**	18,712
Decrease / (increase) in assets				
Receivable against sale of investments	**(2,515)**	-	**725**	-
Investments	**165,252**	456,317	**(18,721)**	144,553
Loans and receivables	**954**	(1,482)	**524**	-
Dividend and profit receivables	**(975)**	(5,852)	**1,339**	2,864
Income tax refundable	**-**	(101)	**-**	1
Security deposit and prepayments	**(135)**	(130)	**65**	60
	162,581	448,752	**(16,068)**	147,478
Increase / (decrease) in liabilities				
Payable against purchase of investments	**3,500**	-	**3,500**	(25,977)
Payable to the Management Company	**(1,379)**	1,510	**500**	771
Provision for Workers' Welfare Fund	**-**	(54,216)	**-**	(54,216)
Provision for Sindh Welfare Workers' Fund	**-**	28,622	**-**	28,622
Accrued and other liabilities	**(1,250)**	20,064	**464**	20,847
	871	(4,020)	**4,464**	(29,953)
Net cash flows from operating activities	**170,089**	464,949	**(18,007)**	136,237
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend paid	**(173,128)**	(364,244)	**(4,809)**	(50,293)
Net cash used in financing activities	**(173,128)**	(364,244)	**(4,809)**	(50,293)
Net increase / (decrease) in cash and cash equivalents	**(3,039)**	100,705	**(22,816)**	85,944
Cash and cash equivalents at the beginning of the period	**63,769**	72,279	**83,546**	87,040
Cash and cash equivalents at the end of the period	**60,730**	172,984	**60,730**	172,984

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Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2018

	Share capital	General reserve	Undistributed income	Total
	---------- (Rupees in '000)			----------
Balance as at December 31, 2016	760,492	500	1,375,140	2,136,132
Net Income for the period	-	-	142,627	142,627
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the quarter ended March 31, 2017	-	-	142,627	142,627
Interim dividend for the year ended June 30, 2017 @ 22% (Rs.1.1 per share)	-	-	(167,308)	(167,308)
Balance as at March 31, 2017	760,492	500	1,350,459	2,111,451
Balance as at June 30, 2016	760,492	500	953,323	1,714,315
Net Income for the period	-	-	891,456	891,456
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the nine months period ended March 31, 2017	-	-	891,456	891,456
Final dividend for the year ended June 30, 2016 @ 21% (Rs.1.05 per share)	-	-	(159,704)	(159,704)
Interim dividend for the year ended June 30, 2017 @ 22% (Rs.1.10 per share)	-	-	(167,308)	(167,308)
June 30, 2017 @ 22% (Rs.1.10 per share)	-	-	(167,308)	(167,308)
Balance as at March 31, 2017	**760,492**	**500**	**1,350,459**	**2,111,451**
Balance as at December 31, 2017	760,492	500	697,536	1,458,528
Net Income for the period	-	-	210,948	210,948
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the quarter ended March 31, 2018	-	-	210,948	210,948
Balance as at March 31, 2018	760,492	500	908,484	1,669,476
Balance as at June 30, 2017	760,492	500	1,130,106	1,891,098
Net loss for the period	-	-	(54,314)	(54,314)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the nine months ended March 31, 2018	-	-	(54,314)	(54,314)
Final dividend for the year ended June 30, 2017 @ 22% (Rs. 1.10 per share)	-	-	(167,308)	(167,308)
Balance as at March 31, 2018	**760,492**	**500**	**908,484**	**1,669,476**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN EQUITY AND RESERVES - PER SHARE (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2018

	Nine months ended March 31,		Quarter ended March 31,	
	2018	2017	2018	2017
	(Rupees)			
Net assets value per share at the beginning of the period	**12.43**	11.27	**9.59**	14.04
Capital gain on sale of investments - net	**-**	2.72	**0.01**	1.20
Dividend income	**0.28**	0.23	**0.04**	0.05
Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	**(0.40)**	3.01	**1.42**	(0.38)
Profit on bank deposits	**0.02**	0.03	**0.01**	0.01
Total income for the period	**(0.10)**	5.99	**1.48**	0.88
Operating expenses	**(0.25)**	(0.13)	**(0.09)**	0.06
Final dividend for the year ended				
June 30, 2017 @ 22% (Rs.1.10 per share)	**(1.10)**	-	**-**	-
June 30, 2016 @ 21% (Rs.1.05 per share)	**-**	(1.05)	**-**	-
Interim dividend for the year ended				
June 30, 2017 @ 22% (Rs.1.10 per share)	**-**	(1.10)	**-**	-
June 30, 2017 @ 22% (Rs.1.10 per share)	**-**	(1.10)	**-**	(1.10)
Net assets value per share	**10.98**	13.88	**10.98**	13.88

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2018

1. STATUS AND NATURE OF BUSINESS

1.1 Golden Arrow Selected Stocks Fund Limited (the Company) was incorporated on May 09, 1983 in Pakistan as a public limited company under the Companies Act, 1913 (now Companies Ordinance, 1984). The Company got registered as an investment company on April 29, 2005 under the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The registered office of the Company is situated at 216-217, 2nd Floor, Continental Trade Centre, Block-8, Clifton, Karachi. The Company is listed on the Pakistan Stock Exchange Limited. The Company is a closed-end mutual fund and its principal activity is to make investment in marketable securities.

1.2 The Company is being managed by AKD Investment Management Limited and Central Depository Company of Pakistan Limited is the custodian of the Company.

1.3 The Pakistan Credit Rating Agency Limited (PACRA) has assigned asset manager rating of 'AM3++' to the Management Company dated December 22, 2017 and has also assigned "4-Star" Star Performance Ranking to the Company dated September 26, 2017.

1.4 As per clause 65 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, as amended by Securities and Exchange Commission of Pakistan (SECP) vide its Notification S.R.O. 1492(I)/2012 dated December 26, 2012 an asset management company managing an Investment Company shall, from the expiry of five years from November 21, 2007, hold within one month of such period a meeting of shareholders to seek their approval to convert the Investment Company into an Open End Scheme (by simple majority) or wind up the Investment Company (by special resolution). In 2013, SECP vide its Notification S.R.O 1399 (1) 2012 dated November 28, 2012 extended the timeline for convening the meeting of share holders till January 31, 2013.

In compliance with above referred regulation, the Company convened a meeting of shareholders on January 31, 2013. However, neither the conversion of the Company into an Open End Scheme nor its winding up was approved by the shareholders by the majority specified in the said regulation. This fact was communicated to the stock exchanges and the SECP.

Subsequently, the Company received a notice from SECP on February 21, 2013 citing non-compliance of the aforementioned regulation and advised the Company to take immediate corrective action by calling another extra ordinary general meeting of shareholders. The Company being aggrieved by the said notice preferred a Constitutional Petition before the Honorable Sindh High Court on the ground that aforementioned regulation 65 is ultra vires the Constitution and Companies Ordinance, 1984. The Honorable Sindh High Court , after a preliminary hearing, has granted an ad-interim relief to the Company by restraining the SECP from taking any coercive action against the Company during the pendency of the petition. The relevant lawsuit is pending adjudication at the Honorable Sindh High Court.

The Board of Directors in their meeting held on January 9, 2018 resolved that the Company be converted from closed end fund to an open scheme under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and has approved a scheme of arrangement for the same. Further, at the Extra-Ordinary General Meeting of the

Shareholders of the Company held on February 15, 2018 the Shareholders of the Company have approved the conversion of the Company from a Closed End Fund to an Open End Scheme in terms of the Scheme of Arrangement placed before the Shareholders at the said meeting by a special resolution passed by an overwhelming 99.98% majority of the votes of the Shareholders present at the Meeting in person and through proxies, who were entitled to vote, subject to approval of the Securities and Exchange Commission of Pakistan ("SECP") and fulfillment of all regulatory requirements and documentation. The above fact was communicated to PSX and Honorable Commission respectively on the date of EOGM.

The management believes that, in the worst case scenario, the winding up of the Company will not have any material impact on the carrying amounts of assets and liabilities for the reason that such values are not materially different from the expected realisable / settlement amounts of the assets and liabilities of the Company. Accordingly, this condensed financial information has been prepared on a going concern basis.

2. STATEMENT OF COMPLIANCE

This condesed interim financial information have been prepared in accordance with the requirements of approved international accounting standards as applicable in Pakistan, Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017. Wherever the requirements of the Companies Act, 2017, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRSs, the requirements of the Companies Act, 2017, the NBFC Rules, the NBFC Regulations or the directives issued by SECP shall prevail.

This condensed interim financial information do not include all the information and disclosures required in the annual financial information and should be read in conjunction with the financial infomation of the company for the year ended June 30, 2017.

These condensed interim financial information are un-audited. The condensed interim financial information are presented in Pakistani Rupees which is the company's functional currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, basis of accounting estimates applied and methods of computation adopted in the preparation of these condensed interim financial information are the same as those applied in the preparation of the annual published financial statements of the Company for the year ended June 30, 2017. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 01, 2017, which do not have any impact on these condensed interim financial information.

The preparation of this condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial information as at and for the year ended June 30, 2017.

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and did not have any impact on the accounting policies of the Company and therefore not disclosed in this condensed interim financial information.

The Company's risk management objectives and policies are consistent with those objectives and policies which were disclosed in the financial information of the Company as at and for the year ended June 30, 2017.

		(Unaudited) March 31 2018	(Audited) June 30 2017
4. INVESTMENTS		---- Rupees in '000 -----	
Financial assets at fair value through profit or loss			
- Quoted equity securities - held-for-trading	4.1	**1,706,826**	1,933,029

4.1 Quoted Equity Securities - financial assets at 'fair value through profit or loss' - held for trading

Name of the investee company	Face value per share	Number of shares					Balance as at March 31, 2018			Percentage in relation to		
		Opening balance	Purchases during the period	Bonus / right issue	Sales during the period	Closing balance	Carrying cost	Market value	Appreciation/ (diminution)	Market value as percentage of investments	Market value as percentage of net assets	Investee paid up capital
							Rupees in '000					
SHARES OF LISTED COMPANIES - Fully paid ordinary shares												
Automobile Assembler												
Honda Atlas Cars (Pakistan) Limited	10	-	5,000	-	-	5,000	2,725	2,387	(338)	0.14	0.14	-
							2,725	**2,387**	**(338)**			
Automobile Parts & Accessories												
Thal Limited	5	280,000	-	-	-	280,000	169,688	144,382	(25,306)	8.46	8.65	0.35
							169,688	**144,382**	**(25,306)**			
Cable & Electrical Goods												
Pakistan Cables Limited	10	283,400	15,500	-	-	298,900	94,972	83,991	(10,981)	4.92	5.03	1.05
							94,972	**83,991**	**(10,981)**			
Cement												
Dewan Cement Limited	10	-	50,000	-	-	50,000	1,231	1,350	119	0.08	0.08	0.01
Javedan Corporation Limited (**)	10	4,964,300	-	1,794,650	1,375,000	5,383,950	201,252	227,472	26,220	13.33	13.63	2.02
							202,483	**228,822**	**26,339**			
Chemical												
Archroma Pakistan Limited	10	64,972	-	-	20,500	44,472	31,700	24,504	(7,196)	1.44	1.47	0.13
Buxly Paints Limited	10	36,500	-	-	-	36,500	4,378	3,650	(728)	0.21	0.22	2.53
Dynea Pakistan Limited	5	336,733	-	-	-	336,733	33,862	62,690	28,828	3.67	3.76	1.78
Engro Polymer & Chemicals Limited	10	-	100,000	-		100,000	3,500	3,565	65	0.21	0.21	0.02
Ghani Gases Limited	10	120	-	6	-	126	3	2	(1)	0.00	0.00	-
Lotte Chemical Pakistan Limited	10	-	1,500,000	-		1,500,000	13,400	15,765	2,365	0.92	0.94	0.10
Nimir Industrial Chemicals Limited	10	672,500	-	-	-	672,500	35,629	42,092	6,463	2.47	2.52	0.61
							122,472	**152,268**	**29,796**			
Commercial Banks												
Allied Bank Limited	10	237,500	-	-	-	237,500	21,285	23,387	2,102	1.37	1.40	0.02
BankIslami Pakistan Limited	10	4,533,928	119,500	-	-	4,653,428	61,601	53,887	(7,714)	3.16	3.23	0.46
MCB Bank Limited (***)	10	-	44,793	-	44,793	-	-	-	-	-	-	-
National Bank of Pakistan	10	-	75,000	-	75,000	-	-	-	-	-	-	-
NIB Bank Limited (***)	10	6,272,955	-	-	6,272,955	-	-	-	-	-	-	-
Summit Bank Limited	10	159	400,000	-	-	400,159	1,399	1,028	(371)	0.06	0.06	0.02
							84,285	**78,302**	**(5,983)**			
Engineering												
Aisha Steel Limited	10	3,780,000	-	-	780,000	3,000,000	61,021	60,900	(121)	3.57	3.65	0.36
Dost Steels Limited	10	-	133,000	-	-	133,000	1,663	1,527	(136)	0.09	0.09	0.04
Huffaz Seamless Pipe Industries Limited	10	391,745	-	-	-	391,745	16,759	10,973	(5,786)	0.64	0.66	0.71
							79,443	**73,400**	**(6,043)**			

Name of the investee company	Face value per share	Number of shares: Opening balance	Purchases during the period	Bonus / right issue	Sales during the period	Closing balance	Balance as at March 31, 2018: Carrying cost	Market value	Appreciation/ (diminution)	Percentage in relation to: Market value as percentage of investments	Market value as percentage of net assets	Investee paid up capital
							Rupees in '000					
Food & Personal Care-Products												
Murree Brewery Company Limited	10	37,950	-	-	-	37,950	29,288	30,651	1,363	1.80	1.84	0.16
Quice Food Industries Limited	10	1,547,500	-	-	-	1,547,500	10,260	10,384	124	0.61	0.62	1.57
							39,548	**41,035**	**1,487**			
Glass & Ceramics												
Balochistan Glass Limited	10	110,000	-	-	-	110,000	1,667	1,082	(585)	0.06	0.06	0.06
Shabbir Tiles & Ceramics Limited	5	437	-	-	49	388	7	7	-	0.00	0.00	-
							1,674	**1,089**	**(585)**			
Insurance												
Century Insurance Company Limited	10	423,559	-	-	-	423,559	11,860	11,436	(424)	0.67	0.69	0.84
EFU General Insurance Limited	10	154,900	800	-	-	155,700	22,578	22,170	(408)	1.30	1.33	0.08
Habib Insurance Company Limited	5	300,183	-	-	-	300,183	4,659	4,224	(435)	0.25	0.25	0.24
TPL Insurance Limited	10	301,686	-	-	-	301,686	7,421	6,034	(1,387)	0.35	0.36	0.40
							46,518	**43,864**	**(2,654)**			
Investment banks / Inv. cos. / Securities cos.												
Jahangir Siddiqui & Company Limited	10	2,265,000	-	-	-	2,265,000	51,710	42,990	(8,720)	2.52	2.58	0.25
JS Investments Limited	10	394,000	-	-	-	394,000	5,359	3,979	(1,380)	0.23	0.24	0.49
Pakistan Stock Exchange Limited	10	6,541,698	537,500		2,500,000	4,579,198	117,355	118,647	1,292	6.95	7.11	0.57
							174,424	**165,616**	**(8,808)**			
Miscellaneous												
Macpac Films Limited	10	859,129	20,000	451,042	20,000	1,310,171	34,219	28,601	(5,618)	1.68	1.71	2.21
Macpac Films Limited - Letter of Right	10	-	96,500	-	96,500	-	-	-	-	-	-	-
Pakistan Services Limited	10	13,400	-	-	-	13,400	12,093	13,266	1,173	0.78	0.79	0.04
							46,312	**41,867**	**(4,445)**			
Oil & Gas Exploration Companies												
Oil & Gas Development Company Limited	10	500,000	105,000	-	300,000	305,000	45,368	53,094	7,726	3.11	3.18	0.01
Pakistan Petroleum Limited	10	200,000	-	-	75,000	125,000	18,518	26,605	8,087	1.56	1.59	0.01
							63,886	**79,699**	**15,813**			
Oil & Gas Marketing Companies												
Pakistan State Oil Company Limited	10	158,200	-	28,500	186,700	-	-	-	-	-	-	-
Sui Southern Gas Company Limited	10	-	288,000	-	100,000	188,000	6,915	6,854	(61)	0.40	0.41	0.02
							6,915	**6,854**	**(61)**			
Paper & Board												
Merit Packaging Limited	10	855,657	855,500	855,657	966,518	1,600,296	16,822	37,255	20,433	2.18	2.23	1.98
Pakistan Paper Products Limited	10	179,000	-	-	-	179,000	20,581	18,258	(2,323)	1.07	1.09	2.98
							37,403	**55,513**	**18,110**			

Name of the investee company	Face value per share	Opening balance	Purchases during the period	Bonus / right issue	Sales during the period	Closing balance	Carrying cost	Market value	Appreciation/ (diminution)	Market value as percentage of investments	Market value as percentage of net assets	Investee paid up capital
		-Number of shares-					Balance as at March 31, 2018			Percentage in relation to		
							Rupees in '000					
Power Generation & Distribution												
K-Electric Limited	3.5	16,490,000	-	-	2,561,500	13,928,500	96,107	97,639	1,532	5.72	5.85	0.05
Sitara Energy Limited	10	263,151	-	-	-	263,151	7,605	6,881	(724)	0.40	0.41	1.38
							103,712	**104,520**	**808**			
Sugar & Allied Industries												
Imperial Sugar Limited	10	378,000	-	-	-	378,000	11,143	10,168	(975)	0.60	0.61	0.38
Shahtaj Sugar Mills Limited	10	24,537	-	-	-	24,537	4,662	2,824	(1,838)	0.17	0.17	0.20
							15,805	**12,992**	**(2,813)**			
Synthetics and Rayon												
Pakistan Synthetic Limited	10	1,165,000	-	-	-	1,165,000	34,076	22,252	(11,824)	1.30	1.33	2.08
Rupali Polyester Limited	10	12,701	-	-	-	12,701	244	490	246	0.03	0.03	0.04
							34,320	**22,742**	**(11,578)**			
Technology and Communication												
Hum Network Limited	1	118,000	-		-	118,000	1,385	1,121	(264)	0.07	0.07	0.01
Pakistan Telecommunication Company Limit	10	1,700,000	-		-	1,700,000	26,537	20,995	(5,542)	1.23	1.26	0.05
TRG Pakistan Limited (*)	10	3,918,417	200,000		200,000	3,918,417	156,370	142,474	(13,896)	8.35	8.53	0.72
Worldcall Telecom Limited	10	438,000	-		438,000	-	-	-	-	-	-	-
							184,292	**164,590**	**(19,702)**			
Textile Composite												
Dawood Lawrencepur Limited	10	62,159	-	-	-	62,159	13,663	10,382	(3,281)	0.61	0.62	0.11
Gul Ahmed Textile Mills Limited	10	300,000	-	-	-	300,000	12,294	12,804	510	0.75	0.77	0.08
Ishaq Textile Mills Limited	10	6,500	-	-	-	6,500	77	57	(20)	0.00	0.00	0.07
Kohinoor Mills Limited	10	80,500	-	-	-	80,500	3,821	2,938	(883)	0.17	0.18	0.16
Sapphire Fibres Limited	10	47	-	-	-	47	56	42	(14)	0.00	0.00	0.00
The Crescent Textile Mills Limited	10	100,000	-	-	100,000	-	-	-	-	-	-	-
							29,911	**26,223**	**(3,688)**			
Textile Spinning												
Crescent Fibres Limited	10	42,000	-	-	-	42,000	1,298	1,077	(221)	0.06	0.06	0.34
Din Textile Mills Limited	10	54,729	-	-	-	54,729	6,187	5,459	(728)	0.32	0.33	0.24
Ellcot Spinning Mills Limited	10	883,554	-	-	-	883,554	91,359	57,431	(33,928)	3.36	3.44	8.07
Fazal Cloth Mills Limited	10	12,406	-	-	-	12,406	2,221	1,811	(410)	0.11	0.11	0.04
Gadoon Textile Mills Limited	10	19,301	-	-	-	19,301	4,073	4,589	516	0.27	0.27	0.07
Island Textile Mills Limited	10	40,600	-	-	-	40,600	33,938	33,008	(930)	1.93	1.98	8.12
Saif Textile Mills Limited	10	217,000	-	-	-	217,000	4,774	4,026	(748)	0.24	0.24	0.82
							143,850	**107,401**	**(36,449)**			

Name of the investee company	Face value per share	Number of shares: Opening balance	Purchases during the period	Bonus / right issue	Sales during the period	Closing balance	Balance as at March 31, 2018: Carrying cost	Market value	Appreciation/ (diminution)	Percentage in relation to: Market value as percentage of investments	Market value as percentage of net assets	Investee paid up capital
							Rupees in '000					
Textile Weaving												
Prosperity Weaving Mills Limited	10	84,591	-	-	-	84,591	2,420	2,284	(136)	0.13	0.14	0.46
							2,420	**2,284**	**(136)**			
Transport												
Pakistan International Container Terminal	10	14,600	-	-	14,600	-	-	-	-	-	-	-
							-	**-**	**-**			
Vanaspati & Allied Industries												
Punjab Oil Mills Limited	10	234,000	-		-	234,000	72,540	58,502	(14,038)	3.43	3.50	4.34
S.S. Oil Mills Limited	10	180,100	-		-	180,100	7,924	8,483	559	0.50	0.51	3.18
							80,464	**66,985**	**(13,479)**			
Total listed equity securities as at March 31, 2018							**1,767,522**	**1,706,826**	**(60,696)**			
Total listed equity securities as at June 30, 2017							1,639,441	1,933,029	293,588			

(*) This includes 2,000,000 shares pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin.

(**) The exposure limit of investment in a single company as a percentage of net assets exceeded by 3.63% against the prescribed limit of 10% of the total net assets as required under the NBFC Regulations.

(***) As a result of amalgamation of NIB Bank Limited (NIB) with and into MCB Bank Limited (MCB) , the Company received 44,793 shares of MCB in lieu of 6,272,955 shares of NIB on the basis of a SWAP Ratio of 1 ordinary share of MCB for every 140.043 ordinary shares of NIB.

		(Unaudited) March 31, 2018	(Audited) June 30, 2017
5. LOANS AND RECEIVABLES	**Note**	------ (Rupees in '000) ------	
Preference Shares			
- Security Leasing Corporation Limited	5.1	**528**	**1,482**

5.1 These preferance shares have been stated at their realisable value. These have been delisted from Pakistan Stock Exchange Limited and therfore cannot be sold in an active market. The Management Company has intention and ability to hold the preferance shares until realisation, accordingly, the said investment has been reclassified into loans and receivables.

6 Sales Tax on Management Fee

The Provincial Government of Sindh has levied Sindh sales rax at the rate of 13% (June 30, 2017: 13%) on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011.

7. PROVISION FOR SINDH WORKERS' WELFARE FUND (SWWF)

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/ mutual funds, the MUFAP recommended that as a matter of abundant caution provision in respect of SWWF to be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in the condensed interim financial information of the Company, the net asset value of the Company as at March 31, 2018 would have been higher by Re. 0.18 per share (June 30, 2017: Re 0.18 per share).

8. FEDERAL EXCISE DUTY (FED)

As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the services 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 results in double taxation, does not appear to be the spirit of the law. The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies and Trustee on behalf of schemes through a constitutional petition filed in the Honourable Sindh High

Court (SHC) during September 2013 which is pending adjudication. However, the SHC has issued a stay order against the recovery of FED. The Company, as a matter of abundant caution, has charged FED and sales tax thereon in its financial statements with effect from June 13, 2013.

As per the Finance Act, 2016, the management fees charged by the asset management company have been declared exempt from the levy of FED with effect from July 01, 2016. Accordingly, no provision for FED is made from July 01, 2016 onwards.

The Sindh High Court in its decision dated July 16, 2016 maintained the previous order passed against other constitutional petition whereby levy of FED is declared to be 'Ultra Vires' the Constitution. The management is however of the view that since the Federal Government has appealed against the order, the previous balance of FED shall not be reversed.

The Management Company, in view of the pending decision and as a matter of abundant caution, has made a provision for FED with effect from June 13, 2013 to June 30, 2016 aggregating to Rs.16.592 million. Had the said provision of FED not been recorded in the books of account of the Company, the net asset value per share of the Company for period ended March 31,2018 would have been higher by Re. 0.11 (30 June 2017: Re. 0.11) per share.

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at March 31, 2018 and June 30, 2017.

10 TAXATION

The income of the Company is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income in cash for that year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the shareholders. Accordingly, the Company has not recorded provision for taxation as the management intends to distribute at least 90 percent of the Company's accounting income for the year as reduced by capital gains (whether realised or unrealised) to its shareholders.

The Company is also exempt from the provisions of section 113 (minimum tax) under clause 11 of part IV of the Second Schedule to the Income Tax Ordinance, 2001.

11 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include AKD Investment Management Limited, being the Management Company, Central Depository Company of Pakistan Limited, being the custodian, Aqeel Karim Dhedi Securities Investment (Private) Limited, AKD Securities Limited, other collective schemes managed by the Management Company, directors and officers of the Management Company, directors of the Company and their connected persons.

The transactions with connected persons are in the normal course of business, at contracted rates. Details of transactions and balances with connected persons are as follows:

	(Unaudited) Nine months ended	
	March 31, 2018	March 31, 2017
11.1 Transactions during the period	------- (Rupees in '000) ------	
AKD Investment Management Limited - Management Company		
Remuneration to Management Company	**24,817**	31,499
Dividend received	**26,271**	79,569
Expenses allocated by the Management Company	**1,241**	1,575
Sales of shares of Company	**-**	4,500
AKD Securities Limited - Group Company		
Brokerage	**102**	261
Dividend received	**3**	9
Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund		
Dividend received	**2,302**	6,801
AKD Investment Management Limited - Staff Provident Fund		
Dividend received	**312**	1,466
Directors of the Company		
Dividend received	**3,329**	9,836
Key Management Personnel of the Company		
Dividend received	**-**	260
Central Depository Company of Pakistan Limited - Custodian		
Fee charged during the year (including transaction charges)	**1,046**	999
Javedan Corporation Limited - Common Directorship		
Dividend received during the period	**8,973**	-
Purchase of shares	**62,813**	-
Sale of shares	**53,955**	
Prosperity Weaving Mills Limited - Common Directorship		
Dividend received during the period	**169**	148

11.2 Balances outstanding at the period / year end	(Unaudited) March 31, 2018	(Audited) June 30, 2017
	------ (Rupees in '000) ------	
AKD Investment Management Limited - Management Company		
Remuneration payable	**2,807**	3,259
Sales tax on Management fee	**365**	424
FED on Management remuneration	**16,592**	16,592
Other	**639**	878
Expenses allocated by the Management Company	**622**	1,251
Shares in issue (number of shares: March 31, 2018: 23,882,895; June 30, 2017: 23,882,895)	**119,414**	119,414
Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund		
Shares in issue (number of shares: March 31, 2018: 2,092,812; June 30, 2017: 2,092,812)	**10,464**	10,464
AKD Securities Limited - Group Company		
Shares in issue (number of shares: March 31, 2018: 2,889; June 30, 2017 2,889)	**14**	14
Brokerage payable	**-**	33
AKD Investment Management Limited - Staff Provident Fund		
Shares in issue (number of shares: March 31, 2018: 284,046; June 30, 2017 284,046)	**1,420**	1,420
Directors of the Company		
Shares of the Company held (number of shares: March 31, 2018: 3,026,277; June 30, 2017: 3,026,277)	**15,131**	15,131
Central Depository Company of Pakistan Limited - Custodian		
Fee payable (including transaction charges)	**75**	108
Javedan Corporation Limited - Common Directorship		
Shares held by the Company (number of shares: March 31, 2018: 5,383,950; June 30, 2017: 4,964,300)	**227,472**	191,473
Prosperity Weaving Mills Limited - Common Directorship		
Shares held by the Company (number of shares: March 31, 2018: 84,591; June 30, 2017: 84,591)	**2,284**	2,420

12 EXPENSE RATIO

The expense ratio of the Company from July 1, 2017 to March 31, 2018 is 2.24%, the total expense ratio includes 0.28% representing government levy and SECP fee etc.

13 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). Adoption of IFRS 13, has not affected the condensed interim financial information.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: 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 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyse financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	----------------- As at March 31, 2018 -----------------			
	Level 1	**Level 2**	**Level 3**	**Total**
ASSETS	------------------- (Rupees in '000) -------------------			
Investment in securities -				
at fair value through profit or loss	**1,706,826**	**-**	**-**	**1,706,826**
	1,706,826	**-**	**-**	**1,706,826**

	----------------- As at June 30, 2017 -----------------			
	Level 1	**Level 2**	**Level 3**	**Total**
ASSETS	------------------- (Rupees in '000) -------------------			
Investment in securities -				
at fair value through profit or loss	1,933,029	-	-	1,933,029
	1,933,029	-	-	1,933,029

14 CORRESPONDING FIGURES

No significant rearrangements or reclassifications were made in this condensed financial information which have any impact on profit and loss account.

15 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue on April 26, 2018 by the Board of Directors of the Company.

16 General

Figures have been rounded off to the nearest thousand rupees.

Imran Motiwala
Chief Executive Officer

Muhammad Munir Abdullah
Chief Financial Officer

Anum Dhedhi
Director

AKD Investment
Management Ltd.

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