

Quarterly Report

March 31, 2022

(un-audited)



Funds Managed by:
AKD Investment Management Ltd

Partner with AKD
Profit from the Experience

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

Director & Chief Executive Officer

Mr. Imran Motiwala

Director(s)

Ms. Anum Dhedhi
Ms. Aysha Ahmed
Mr. Ali Wahab Siddiqi
Mr. Hasan Ahmed
Mr. Saim Mustafa Zuberi

CHIEF OPERATING OFFICER AND COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob Sultan, CFA

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Munir Abdullah

HEAD OF INTERNAL AUDIT OF THE MANAGEMENT COMPANY

Ms. Tayyaba Masoom Ali

AUDIT COMMITTEE

Mr. Ali Wahab Siddiqi (Chairman)
Mr. Hasan Ahmed (Member)
Mr. Saim Mustafa Zuberi (Member)
Ms. Tayyaba Masoom Ali (Secretary)

HUMAN RESOURCE AND REMUNERATION (HR & R) COMMITTEE

Ms. Aysha Ahmed (Chairperson)
Mr. Abdul Karim (Member)
Mr. Imran Motiwala (Member)
Ms. Anum Dhedhi (Member)
Mr. Saim Mustafa Zuberi (Member)
Mr. Muhammad Yaqoob Sultan, CFA (Secretary)

RATING

AKD Investment Management Limited AM3++ (AM Three Plus Plus) issued by PACRA

VISION

To serve investors in Pakistan's capital markets with diligence, integrity and professionalism, thereby delivering consistent superior returns and unparalleled customer service.

MISSION STATEMENT

- » Keep primary focus on investing clients' interest
- » Achieve highest standards of regulatory compliance and good governance
- » Prioritize risk management while endeavouring to provide inflation adjusted returns on original investment
- » Enable the investing public and clients to make AKDIML Funds a preferred part of their overall savings and investment management strategy
- » Distinguish themselves and compete on the basis of unparalleled service quality while setting industry standards for professionalism, transparency and consistent leading performance
- » Foster and encourage technical, professional, ethical development of human capital to provide our people the best opportunities and environment for their personal growth.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited (AKDIML), the Management Company of AKD Opportunity Fund (AKDOF), Golden Arrow Stock Fund (GASF), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF) and AKD Islamic Stock Fund (AKDISSF) presents its nine months report along with the Funds' unaudited Financial Statements for the period ended March 31, 2022.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)

For the 9MFY22, the return of AKD Opportunity Fund stood at -22.53% compared to the benchmark KSE-100 Index return of -5.13%.

Golden Arrow Stock Fund (GASF)

For the 9MFY22, the return of Golden Arrow Stock Fund stood at -18.04% compared to the benchmark KSE-100 Index return of -5.13%.

AKD Index Tracker Fund (AKDITF)

For the 9MFY22, the return of AKD Index Tracker Fund stood at -5.03% compared to the benchmark KSE-100 Index return of -5.13%.

AKD Cash Fund (AKDCF)

For the 9MFY22, the annualized return of AKD Cash Fund stood at 8.54% compared to the benchmark return of 8.17%.

AKD Aggressive Income Fund (AKDAIF)

For the 9MFY22, the annualized return of AKD Aggressive Income Fund stood at 8.62% compared to the benchmark return of 10.12%.

AKD Islamic Income Fund (AKDISIF)

For the 9MFY22, the annualized return of AKD Islamic Income Fund stood at 8.10% compared to the benchmark return of 3.19%.

AKD Islamic Stock Fund (AKDISSF)

For the 9MFY22, the return of AKD Islamic Stock Fund stood at -16.09% compared to the benchmark KMI-30 Index return of -4.84%.

MACRO PERSPECTIVE

Pakistan's economy continued to witness robust growth where the pace of the economy exceeded expectations of the State Bank of Pakistan (SBP), albeit coming at the expense of an elevated Current Account Deficit (CAD) amid rising inflation fuelled by a significant currency devaluation, and an unprecedented increase in international commodity prices.

The SBP during this period remained cautious due to inflationary pressures; hence, increasing the policy rate by 275 basis points to 9.75% during 9MFY22. While approval of the next tranche of USD 1 billion from IMF under the Extended Fund Facility is expected to be a catalyst for the economy and provide some respite to the Pak Rupee.

The CAD for 8MFY22 clocked in at USD 12.10 billion as compared to a surplus of USD 0.99 billion reported during the same period last year (SPLY) owing mainly to an increase in commodity prices, import of plants and machineries under TERF/LTFF loan facilities provided by the SBP and import of COVID vaccines. The Balance of Trade in Goods and Services recorded a deficit of USD 29.88 billion, adding another USD 12.56 billion as imports increased by 47.76% YoY to USD 54.99 billion. However, the exports also posted a growth of 26.21% YoY to stand in at USD 25.11 billion. Foreign workers continued to support the external account as workers' remittances surged by 7.65% YoY to USD 20.14 billion. The Government's efforts to attract investments from Non-Resident Pakistani's also paid off, with an impressive inflow of USD 3.92 billion through Roshan Digital Accounts (RDA) from more than 380,000 accounts till March 2022.

According to press reports, the Federal Board of Revenue (FBR) made net revenue collection of PKR 4,382 billion during 9MFY22, up by 29.1% YoY as compared to PKR 3,394 billion recorded during SPLY. The amount of refunds disbursed was PKR 229 billion during 9MFY22 compared to PKR 183 billion paid last year, showing a healthy increase of 25.0%.

As per the Pakistan Bureau of Statistics (PBS), the average National Consumer Price Index (NCPI) in 9MFY22 was recorded at 10.77% YoY as compared to 8.34% YoY recorded during 9MFY21. Average Core Inflation (measured by excluding food and energy prices) clocked in at 7.46% YoY and 7.98% YoY for Urban and Rural areas respectively, as compared to 5.70% YoY and 7.63% YoY during the SPLY.

The Large Scale Manufacturing (LSM) sector witnessed an increase of 7.8% YoY (with the new base year 2015-2016, previously 2005-2006) for July-February FY22 as compared to 2.2% YoY reported during SPLY. During the period under review, major contribution towards the growth came from Food, Non-Metallic Mineral Products and Textile. However, overall growth during the period was kept in check by sectors that posted negative growth including Pharmaceuticals, Rubber Products, Electrical Equipment and Fabricated Metal.

EQUITY MARKET REVIEW

During 9MFY22, the KSE-100 Index declined by 2,427 points, down by 5.13% to close at 44,928.83 points. The equity market remained under pressure owing to political unrest following senate elections, MSCI downgrade from Emerging to Frontier Market, unprecedented surge in commodity prices leading to an alarming CAD, jump in policy rate by 225bps to 9.25% amid immense inflationary pressures. While corporate earnings remained strong with good dividend payouts, investor sentiment at best remained cautious as economic conditions are expected to be tough in the foreseeable future.

The average daily turnover decreased by 36.97% YoY to 304.58 million shares during 9MFY22. Similarly, during 3QFY22, the average daily turnover clocked in at 231.98 million shares which declined by 58.39%

YoY / 15.33% QoQ. Market participants turned somewhat bearish as the Government provided relief by reducing and freezing fuel/electricity prices till the end of the fiscal year contrary to what was reportedly agreed with the IMF; naturally investors remain very concerned at the Government's ability to fund a widening CAD. Investors therefore seem skeptic over the resumption of the IMF program and resultant contractionary fiscal policies introduced by the Government of Pakistan (GoP). Moreover, investors' interest diverted to second and third-tier stocks as depicted by a decrease in the ratio of KSE-100 volumes over total turnover.

Some of the news flow that weighed on investor sentiments included: 1) Soaring international energy prices following the Russia-Ukraine war, 3) Pakistan forex reserves declined to USD 18.55 largely due to debt repayments during the week ended on March 25, 2022 4) Unchanged policy rate by MPC at 9.75%, 5) IMF approved the completion of sixth review and released USD 1 billion tranche 6) The current account deficit declined by 78% MoM and clocked in at USD 545 million in February 2022 7) China agrees to fresh rollover of USD 2.5 billion commercial loans, 8) PKR depreciate against greenback and settle at PKR/USD 183.48 on March 31, 2022 and 9) Subsidy package provided by the PM on oil and electricity.

Foreign investors continued to remain net sellers with net outflows of USD 271.13 million. Individuals, Corporates and Banks / DFIs were major buyers with net inflows of USD 82.29 million, USD 81.09 million and USD 72.26 million, respectively. Whereas, Mutual Funds and Brokers were net sellers with net outflows of USD 61.84 million and USD 16.57 million, respectively.

The sectors that dragged the KSE-100 down the most included Tobacco (-12.99%), Cement (-6.42%), Commercial Banks (-2.29%), Technology and Communication (-10.72%) and Refineries (-20.89%). However, some of the losses were compensated by Food and Personal Care Products (9.16%), Fertilizer (8.74%), Chemicals (4.46%), Automobile Assemblers (3.09%) and Real Estate Investment Trust (22.86%).

In terms of valuation, the KSE-100 Index closed at a forward Price to Earnings multiple of 4.70x, which is a 62.24% discount as compared to MSCI Frontier Markets P/E of 12.45x and offering a healthy dividend yield of 8.03%.

MONEY MARKET REVIEW

During 9MFY22, nineteen (19) MTB auctions were carried out by the SBP, where the government managed to raise PKR 11.71 trillion cumulatively. Weighted average yield of 3, 6 and 12 months MTB were 8.90%, 9.30% and 9.27% respectively, up by 1.82%, 2.12% and 1.96% as compared to 7.08%, 7.19% and 7.32% same period last year.

To further address the need of liquidity, SBP conducted nine (9) auctions of fixed rate Pakistan Investment Bond (PIB) and was successful in raising PKR 1.18 trillion. The weighted average yield for 3, 5 and 10 year PIBs increased by 1.58%, 1.32% and 1.40% to 9.87%, 10.09% and 10.69% respectively as compared to 8.29%, 8.77% and 9.28% same period last year.

The Monetary Policy Committee announced six (6) Monetary Policy Statements in 9MFY22, during which the Committee increased policy rate by 275 basis points to 9.75% aiming to reduce pressures on inflation and current account. SBP conducted 81 Open Market Operations (OMO) of different maturities and injected average amount of PKR 1.01 trillion at an average cut off yield of 8.58% and mopped-up average amount of PKR 0.11 trillion at an average cut off yield of 7.23%.

As per the auction target calendar for March – May 2022, the SBP targets to raise PKR 4.00 trillion by issuing 3 to 12 months tenor MTB against maturing amount of PKR 3.75 trillion. In addition, SBP also targets to raise PKR 300 billion through 3 to 30 years tenor fixed rate PIB during the period.

FUTURE OUTLOOK

On a forward-looking basis, we remain optimistic given eased off political turmoil following the takeover of new government led by Mr. Shehbaz Sharif and surprised 250 basis points hike in policy rate by MPC which bring policy rate close to interbank rate i.e. KIBOR. However, rising geopolitical tensions, in particular Russia-Ukraine crisis depict the most important external risk.

The CAD is expected to settle near to 4% of GDP in FY22. The SBP is in the process of taking further actions to reduce the pressure on current account which includes increase in the interest rate on the export refinance scheme (EFS) and widening the set of import items mainly luxury subject to cash margin requirement.

During 9MFY22, the local currency witnessed 14% decline in its value against greenback and settled at USD/PKR 183.48 on March 31, 2022. However, the stability in USD/PKR exchange rate cannot be ruled out following the 250 basis points hike in policy rate.

Given the significant uncertainty related to outlook for international commodity prices where no major downturn is in sight in the near term, the SBP expects CPI for FY22 to settle slightly above 11% before moderating in FY23.

The ouster of PM Khan through No-Confidence Motion by the opposition alliance has created wave of euphoria in the equity market. However the sustainability of this rally would depend on how the government re-engage IMF for resumption of the program given depleting forex reserves, and stability in the international commodity prices.

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Abdul Karim
Chairman

Karachi: April 27, 2022

AKD Aggressive Income Fund



Management Company

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

Trustee

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

Bankers

Apna Microfinance Bank Limited
Askari Bank Limited
Bank Al Falah Limited
Bank Al Habib Limited
Bankislami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Mobilink Microfinance Bank Limited
NRSP Microfinance Bank Limited
Telenor MicroFinance Bank Limited
U Microfinance Bank Limited

Auditors

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

Legal Advisor

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

Registrar

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

Distributor

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

Rating-AKDAIF

PACRA: A(1)

FUND MANAGER'S REPORT

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

Open – end Aggressive Fixed Income Scheme.

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

AKD Aggressive Income Fund (AKDAIF) is a dedicated fund that focuses primarily on fixed income securities and instruments. The objective of AKDAIF is to offer investors a convenient vehicle to invest in a diversified portfolio of fixed income securities / instruments that provide consistent returns with concern for preservation of capital over the longer term.

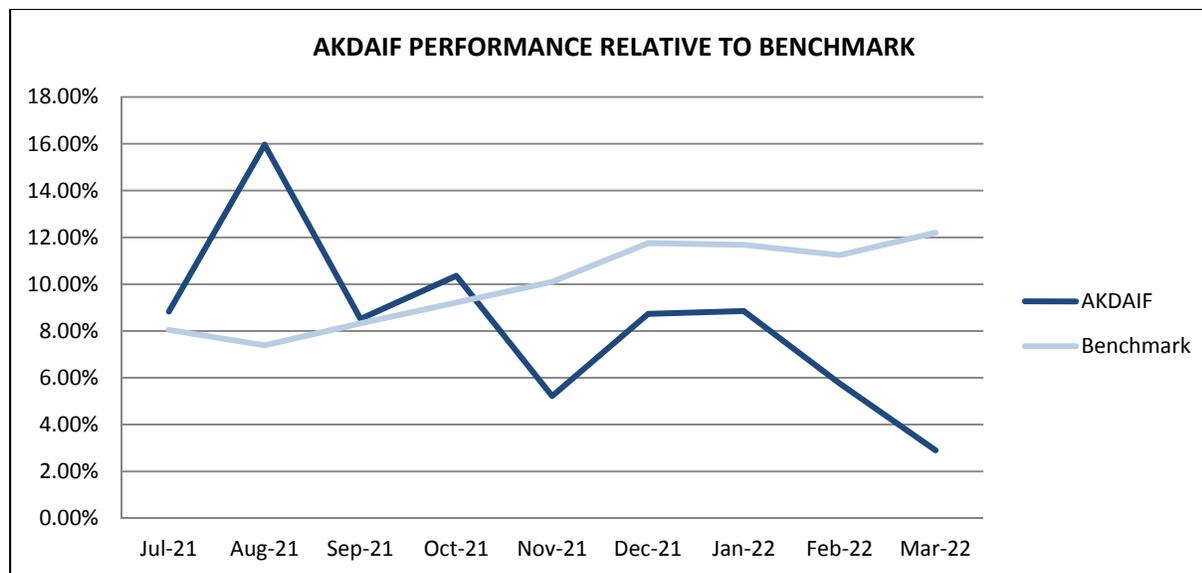
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 9MFY22, the annualized return of AKD Aggressive Income Fund stood at 8.62% as compared to the benchmark return of 10.12%.

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

1 Year KIBOR

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



Monthly yield (annualized)	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
AKDAIF	8.83%	15.96%	8.52%	10.36%	5.22%	8.73%	8.85%	5.76%	2.90%
Benchmark	8.05%	7.39%	8.33%	9.22%	10.10%	11.75%	11.68%	11.24%	12.20%

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

AKD Aggressive Income Fund is an Open - end Aggressive Fixed Income Scheme. The returns of the fund are generated through investment in T-bills, PIBs, Margin Trading System, Spread Transactions, and

Corporate Debt instruments. AKDAIF is fully complied with the relevant policies and procedures as per Fund's regulatory requirements.

vii) **Disclosure of Collective Investment Scheme's asset allocation as the date of the report and particulars of significant changes in asset allocation:**

Asset Allocation (% of Total Asset)	31-Mar-22	31-Dec-21
Cash and Cash Equivalent	43.38%	29.08%
TFCs / Sukuks	31.72%	25.48%
Commercial Papers	2.69%	8.42%
Spread Transactions (Cost)	17.74%	12.61%
Margin Trading System	-	0.84%
Other Assets including Receivables	4.47%	23.57%

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

9MFY22 Return (annualized)	8.62%
Benchmark Return (annualized)	10.12%

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

Net Asset Value			NAV per Unit	
31-Mar-22	31-Dec-21	Change in Net Assets	31-Mar-22	31-Dec-21
(Rupees in '000)			(Rupees)	
866,682	909,954	-4.76%	54.4734	53.6966

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

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Pakistan's economy continued to witness robust growth where the pace of the economy exceeded expectations of the State Bank of Pakistan (SBP), albeit coming at the expense of an elevated Current Account Deficit (CAD) amid rising inflation fuelled by a significant currency devaluation, and an unprecedented increase in international commodity prices.

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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 were no significant changes in the state of affairs during the period under review.

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

There were no unit splits during the period.

xiii) Breakup of unit holding by size:

Range (Units)	No. of Investors
0.0001 to 9,999	98
10000 to 49999	33
50,000 - 99,999	4
100,000 - 499,999	11
500,000 and above	3
Total	149

xiv) Disclosure of circumstances that materially affect any interest of unit holders:

Investments are subject to credit and market risk.

xv) 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:

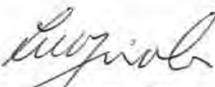
No soft commissions have been received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

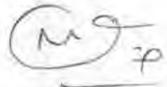
AKD AGGRESSIVE INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2022

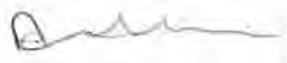
		(Unaudited) March 31 2022	(Audited) June 30 2021
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	5	8,990	45,303
Investments	6	856,166	747,161
Profit receivable	7	13,420	8,830
Receivable against Margin Trading System		-	24,011
Deposits, prepayments and other receivable	8	13,549	8,657
Receivable against sale / conversion of investments		406	-
Total assets		892,531	833,962
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	9	5,655	5,504
Payable to the Central Depository Company of Pakistan Limited - Trustee	10	76	118
Payable to the Securities and Exchange Commission of Pakistan	11	138	152
Accrued expenses and other liabilities	12	12,825	8,030
Payable against redemption / conversion of units		653	-
Unclaimed dividend		6,502	6,289
Total liabilities		25,849	20,093
NET ASSETS		866,682	813,869
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		866,682	813,869
CONTINGENCIES AND COMMITMENTS			
	13	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		15,910,200	15,907,501
		----- (Rupees)-----	
NET ASSETS VALUE PER UNIT		54.4734	51.1626

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer

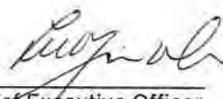

Director

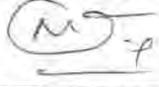
AKD AGGRESSIVE INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR NINE MONTHS AND THREE MONTHS PERIOD ENDED MARCH 31, 2022

Note	Nine months period March 31,		Three months period March 31,	
	2022	2021	2022	2021
----- (Rupees in '000) -----				
Income				
Net capital gain / (loss) on sale of investment	19,234	4,454	4,602	4,909
Net unrealised appreciation / (diminution) on remeasurement of investments 'at fair value through profit or loss'	11,974	(1,121)	8,579	(519)
Unrealised gain / (loss) on forward contracts	(11,307)	(2,123)	(11,969)	(13,002)
Net unrealised diminution on remeasurement of future contracts	-	3,281	-	14,012
Profit on bank deposits	5,424	1,327	3,818	645
Income from:				
- Margin Trade System (MTS)	695	2,595	169	1,872
- Market treasury bills	17,915	19,511	8,345	4,372
- Term finance certificates and sukuk certificates	17,342	16,543	3,200	7,179
- Commercial papers	5,031	1,515	855	33
- Pakistan Investment Bonds	-	2,695	-	-
Other income	12.1	5,784	-	-
Reversal of impairment loss	2,587	-	1,858	-
Dividend income	2	184	-	-
Total income	74,681	48,861	19,457	19,501
Expenses				
Remuneration of AKD Investment Management Limited - Management Company	9.1	10,379	8,322	3,535
Sindh sales tax on the remuneration of Management Company	9.2	1,349	1,082	459
Expenses allocated by management company	9.3	1,038	832	354
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	519	416	177
Sindh sales tax on the remuneration of Trustee	10.2	67	67	24
Annual fee to the Securities and Exchange Commission of Pakistan	11.1	138	111	47
Brokerage and settlement charges		3,219	1,201	1,045
Auditor's remuneration		322	322	106
Bank charges		93	80	14
Fees and subscriptions		670	785	195
Legal and professional		657	243	191
Printing and related costs		113	113	37
Provision against Sindh Workers' Welfare Fund	12.1	-	706	-
Total expenses		18,564	14,280	6,184
Net income for the period before taxation		56,117	34,581	13,273
Taxation	14	-	-	-
Net income for the period after taxation		56,117	34,581	13,273
Allocation of net income for the period				
Net income for the period after taxation		56,117	34,581	13,273
Income already paid on units redeemed		(8,179)	(1,273)	(5,009)
		47,938	33,308	8,264
Accounting income available for distribution:				
Relating to capital gain		19,901	3,281	1,212
Excluding capital gain		28,037	30,027	7,052
		47,938	33,308	8,264

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

AKD AGGRESSIVE INCOME FUND
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
 FOR NINE MONTHS AND THREE MONTHS PERIOD ENDED MARCH 31, 2022

	Nine months period March 31,		Three months period March 31,	
	2022	2021	2022	2021
	----- (Rupees in '000) -----			
Net income for the period after taxation	56,117	34,581	13,273	14,038
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	56,117	34,581	13,273	14,038

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
 (Management Company)


 Chief Executive Officer


 Chief Financial Officer


 Director

AKD AGGRESSIVE INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR NINE MONTHS AND THREE MONTHS PERIOD ENDED MARCH 31, 2022

	Nine months period ended March 31, 2022			Nine months period ended March 31, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----					
Net assets at beginning of the period	784,069	29,800	813,869	624,257	28,226	652,483
Issue of units 15,585,882 (2021: 6,819,060) units						
- Capital value (at Ex-net asset value per unit at the beginning of period)	797,414	-	797,414	348,172	-	348,172
- Element of income	31,605	-	31,605	8,614	-	8,614
Total proceeds on issuance of units	829,019	-	829,019	356,786	-	356,786
Redemption of units 15,583,183 (2021: 4,721,880) units						
- Capital value (at Ex-net asset value per unit at the beginning of period)	797,276	-	797,276	241,093	-	241,093
- Amount paid out of element of income relation to net income for the period after taxation	-	8,179	8,179	-	1,273	1,273
- Element of loss	26,868	-	26,868	5,788	-	5,788
Total payments on redemption of units	824,144	8,179	832,323	246,881	1,273	248,154
Total comprehensive income for the period	-	56,117	56,117	-	34,581	34,581
Net assets at end of the period	788,944	77,738	866,682	734,162	61,534	795,696
Undistributed income brought forward						
- Realised		27,519			26,869	
- Unrealised		2,281			1,357	
		29,800			28,226	
Accounting income available for distribution						
- Relating to capital gains		19,901			3,281	
- Excluding capital gains		28,037			30,027	
		47,938			33,308	
Undistributed income carried forward		77,738			61,534	
Undistributed income carried forward						
- Realised income		77,071			61,497	
- Unrealised income / (loss)		667			37	
		77,738			61,534	

(Rupees)

(Rupees)

Net assets value per unit at beginning of the period

51.1626

51.0586

Net assets value per unit at end of the period

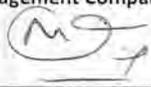
54.4734

53.4875

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

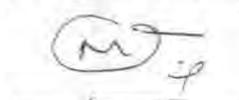
AKD AGGRESSIVE INCOME FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR NINE MONTHS AND THREE MONTHS PERIOD ENDED MARCH 31, 2022

Note	Nine months period ended March 31		Three months period ended March 31	
	2022	2021	2022	2021
----- (Rupees in '000) -----				
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period before taxation	56,117	34,581	13,273	14,038
Adjustments for non cash items				
Dividend income	(2)	(184)	-	-
Net unrealised (appreciation) / diminution on remeasurement of investments 'at fair value through profit or loss'	(11,974)	1,121	(8,579)	519
Unrealised (gain) / loss on forward contracts	11,307	2,123	11,969	13,002
Net unrealised diminution on future contracts	-	(3,281)	-	(14,012)
Other income	(5,784)	-	-	-
Reversal of impairment loss	(2,587)	-	(1,858)	-
Provision against Sindh Workers' Welfare Fund	-	706	-	287
	<u>47,077</u>	<u>35,066</u>	<u>14,805</u>	<u>13,834</u>
(Increase) / decrease in assets				
Profit receivable	(4,590)	2,766	2,550	(1,569)
Deposits, prepayments and other receivable	(4,892)	(18,335)	13,375	2,794
Receivable against sale / conversion of investments	(406)	-	(406)	-
Receivable against Margin Trading System	24,011	(9,960)	9,531	117,319
	<u>14,123</u>	<u>(25,529)</u>	<u>25,050</u>	<u>118,544</u>
Increase / (decrease) in liabilities				
Payable to AKD Investment Management Limited - Management Company	151	453	7	224
Payable to the Central Depository Company of Pakistan Limited - Trustee	(42)	39	(5)	24
Payable to the Securities and Exchange Commission of Pakistan	(14)	(12)	47	38
Accrued expenses and other liabilities	13,166	25,081	8,153	24,074
Unclaimed dividend	213	-	-	-
	<u>13,474</u>	<u>25,561</u>	<u>8,202</u>	<u>24,360</u>
Dividend received	2	184	-	-
Investments - net	269,880	(42,440)	67,536	(67,718)
Net cash generated from / (used in) operating activities	<u>344,556</u>	<u>(7,158)</u>	<u>115,593</u>	<u>89,020</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Amount received against issuance of units	829,019	356,786	267,383	140,337
Amount paid against redemption of units	(831,670)	(248,154)	(325,182)	(112,585)
Net cash generated from / (used in) financing activities	<u>(2,651)</u>	<u>108,632</u>	<u>(57,799)</u>	<u>27,752</u>
Net increase / (decrease) in cash and cash equivalents	<u>341,905</u>	<u>101,474</u>	<u>57,794</u>	<u>116,772</u>
Cash and cash equivalents at beginning of the period	45,303	28,126	329,414	12,828
Cash and cash equivalents at end of the period	<u>387,208</u>	<u>129,600</u>	<u>387,208</u>	<u>129,600</u>

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

AKD AGGRESSIVE INCOME FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR NINE MONTHS AND THREE MONTHS PERIOD ENDED MARCH 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Aggressive Income Fund (the Fund) was established under a Trust Deed executed between AKD Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the trust deed on September 11, 2006 and it was executed on October 2, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced operations from March 23, 2007.

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

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

The Fund is classified as an 'Aggressive Fixed Income Scheme'. The principal activity of the Fund is to make investments in government securities, cash in bank account, money market placements, deposits, certificate of deposits (COD), certificate of mushrakas (COM), commercial paper, reverse repo, term deposit receipts, term finance certificates / sukuk certificates, spread transactions and transactions under margin trading system.

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

The Pakistan Credit Rating Agency Limited (PACRA) has maintained Asset Manager rating of "AM3++" to the Management Company dated February 8, 2021. PACRA has also assigned fund stability rating of "A(f)" to the Fund dated September 04, 2021.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standards (IAS-34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations) and requirement of the Trust Deed.

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

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the IAS-34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.

2.1.3 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2022.

2.2 Basis of measurement

This financial information has been prepared under the historical cost convention, except that investments are measured at fair value.

2.3 Functional and presentation currency

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

3. SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

3.1 The accounting policies and methods of computation adopted in preparation of this condensed interim financial information are same as those applied in preparation of audited financial statements of the Fund as at and for the year ended June 30, 2021.

3.2 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 annual audited financial statements as at and for the year ended June 30, 2021.

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

4. FINANCIAL RISK MANAGEMENT

The Fund's risk management objective and policies are consistent with those disclosed in the annual audited financial statements of the Fund as at and for the year ended June 30, 2021.

	Note	(Unaudited) March 31, 2022 ----- (Rupees in '000) -----	(Audited) June 30, 2021
5. BANK BALANCES			
In saving accounts	5.1	8,923	45,236
In current accounts		67	67
		<u>8,990</u>	<u>45,303</u>

5.1 Mark-up rates on these accounts range between 8.25% to 9.00% per annum (June 30, 2021: 5.5% per annum).

6. INVESTMENTS

At fair value through profit or loss

Term finance certificates
Sukuk certificates
Market treasury bills
Equity securities for spread transactions

	(Unaudited) March 31, 2022	(Audited) June 30, 2021
6.1	179,245	164,168
6.2	103,869	107,607
6.3	378,218	84,300
6.4	170,792	319,758
	<u>832,124</u>	<u>675,833</u>

Note

At amortised cost

- Commercial paper

6.5	24,042	71,328
	<u>856,166</u>	<u>747,161</u>

6.1 Term Finance Certificates

Name of Investee Company	Original / redeemed Face value per certificate (Rupees)	Number of certificates				Balance as at March 31, 2022			Market value as a percentage of		Investment as percentage of total issue / size
		As at July 01, 2021	Purchased during the period	Sold / matured during the period	As at March 31, 2022	Carrying value	Market value	Unrealised appreciation/ (diminution) as at March 31, 2022	Investments	Net assets	
(Rupees in '000)											
(%)											
Commercial banks											
Summit Bank Limited - (6.1.2)	5,000	5,000	-	-	5,000	24,925	-	-	-	-	-
Less: Provision for impairment						(24,925)					
Technology & Communication											
Worldical Telecom Limited - (6.1.3)	5,000	20,000	-	-	20,000	31,648	-	-	-	-	-
Less: Provision for impairment						(31,648)					
TPL Corporation Limited	100,000	-	150	-	150	15,000	15,000	-	1.75	1.73	-
Cement											
Dewan Cement Limited - (6.1.4)	5,000	20,000	-	-	20,000	100,000	-	-	-	-	-
Less: Provision for impairment						(100,000)					
Miscellaneous											
Pace Pakistan Limited - (6.1.5)	5,000	115	-	-	115	574	-	-	-	-	-
Less: Provision for impairment						(574)					
Commercial Banks											
Silk Bank Limited	4,995	20,000	-	-	20,000	86,545	86,102	(2,443)	10.06	9.93	-
The Bank of Punjab	96,800	750	-	-	750	75,599	78,143	2,544	9.13	9.02	-
Total - March 31, 2022						<u>179,144</u>	<u>179,245</u>	<u>101</u>			
Total - June 30, 2021						<u>163,151</u>	<u>164,166</u>	<u>1,017</u>			

6.1.1

Significant terms and conditions of term finance certificate are as follows:

Name of security	Face value per certificate	Redeemed face value per certificate	Mark-up rate (per annum)	Maturity	Rating
TPL Corporation Limited	100,000	100,000	3 months + 2.5%	December 31, 2026	AA-
Silk Bank Limited	5,000	4,996	6 month KIBOR + 1.85%	August 10, 2025	BBB+
The Bank of Punjab	100,000	99,800	6 month KIBOR + 1%	December 23, 2026	AA-

6.1.2 The Term Finance Certificates (TFCs) of Summit Bank Limited (SBL) had an original maturity of October 27, 2018. An extra ordinary general meeting was called on November 19, 2018, where in it was resolved that the maturity date of these certificates be extended for one year (i.e. October 27, 2019) on the existing terms and conditions. Since SBL defaulted on timely payment of its final instalment, the management company has made 100 percent provision amounting to Rs. 24.925 million against the defaulted instalment in line with the requirement of Circular 33 dated October 24, 2012. Furthermore, profit on instalment due amounting to Rs. 1.23 million has also been suspended.

6.1.3 The Term Finance Certificates (TFCs) of Worldcall Telecom Limited (WTL) had an original maturity of October 07, 2013. WTL had defaulted on timely repayment of principal, therefore, the TFC has been classified as non-performing by Mutual Funds Association of Pakistan w.e.f November 8, 2012. Accordingly the outstanding investment had been fully provided.

6.1.4 The Fund had advanced an amount of Rs. 100 million in respect of Pre-IPO placement of Dewan Cement Limited (DCL) under an agreement, which required public offering to be completed within 270 days of the date of agreement (which was January 9, 2008). Dewan Cement Limited (DCL) failed to complete the public offering within the said time period and had also defaulted in payment of principal and profit for the said period. As a matter of prudence, the Fund had made provision for the amount of the investment in accordance with the provisioning criteria specified in Circular No. 1 of 2009 dated January 6, 2009 issued by the SECP.

6.1.5 The Term Finance Certificates (TFCs) of Pace (Pakistan) Limited (PPL) had an original maturity of October 07, 2013. PPL had defaulted on timely repayment of principal, therefore, the TFC has been classified as non-performing by Mutual Funds Association of Pakistan w.e.f September 5, 2011. Accordingly the outstanding investment had been fully provided.

6.1.6 The coupon payment of the Term Finance Certificate (TFC) of Sikkank Limited (SBL) was due on February 10, 2022, which the SBL failed to pay on the due date of payment. As per SECP Circular No.35 of 2012 dated November 26, 2012, the Fund has reversed the principal and the profit amount due on February 10, 2022 and stopped the accrual of the interest. The TFC of SBL has been classified as a Non-Performing Asset (NPA) by MUFAP. Furthermore, as per SECP circular No.33 of 2012 dated October 24, 2012, the Fund is making necessary minimum provisioning against the principal amount.

6.2 Sukuk Certificates

Investee company	Redeemed Face value per certificate (Rupees)	Number of certificates			Balance as at March 31, 2022			Market value as a percentage of		Investment as percentage of total size	
		As at July 01, 2021	Purchased during the period	Redeemed during the period	As at March 31, 2022	Carrying value	Market value	Unrealised appreciation / (diminution) as at March 31, 2022	Investments		Net assets
Hub Power Holdings Limited (6.2.1)	82,459	750	-	-	750	61,844	61,844	-	7.22	7.14	1.03
TPL Trakker Limited (6.2.2)	944,444	30	-	-	30	27,377	26,800	(577)	3.13	3.09	1.91
Mughal Iron and Steel Mills Limited (6.2.3)	1,000,000	15	-	-	15	15,053	15,225	172	1.78	1.76	0.51
New Allied Electronics Industries (Private) Limited (6.2.4)	313	96,000	-	-	96,000	30,000	-	-	-	-	-
Less: provision for impairment						(30,000)					
Total March 31, 2022						104,274	103,869	(405)			
Total June 30, 2021						106,844	107,607	763			

6.2.1 The Hub Power Holdings Limited issued sukuk certificates on November 12, 2020, which will be matured on November 12, 2025. It carries mark up at the rate 6-month KIBOR plus 2.5% per annum.

6.2.2 The tenor of the sukuk is 5 years and carries mark up at the rate 3 months KIBOR plus 3.00% per annum.

6.2.3 The tenor of the sukuk is 5 years and carries mark up at the rate 3 months KIBOR plus 1.30% per annum.

6.2.4 New Allied Electronics Industries (Private) Limited defaulted on the amount of principal and mark-up due on the scheduled redemption dates i.e. October 25, 2008, January 25, 2009, April 25, 2009, July 25, 2009, October 25, 2009, January 25, 2010 and April 25, 2010. Hence, the Fund had been fully provided for the amount of the investment in accordance with the requirements of Circular No. 1 of 2009 dated January 6, 2009.

6.3 Market treasury bills

Tenor	Face Value				Balance as at March 31, 2022				Market value as a percentage of	
	As at July 01, 2021	Purchased during the period	Sold / matured during the period	As at March 31, 2022	Carrying value	Market value	Unrealised (diminution) / appreciation as at March 31, 2022	Investments	Net assets	
Market treasury bills - 3 months	22,000	1,545,000	1,182,000	385,000	378,391	378,218	(173)	44.18	43.64	
Market treasury bills - 6 months	63,000	205,000	268,000	-	-	-	-	-	-	
Total March 31, 2022					378,391	378,218	(173)			
Total June 30, 2021					84,293	84,300	7			

(Rupee in '000)

(%)

6.3.1

On March 10, 2022 the fund transferred Market Treasury bills of Rs. 60 million (face value) into National Clearing Company Limited (NCCPL) exposure margin account maintained with Bank A.-Falsh Limited in respect of exposure margin and mark to market losses in ready market, DFC market and MTS.

6.4

Listed equity securities - spread transactions

Sector / Companies	(Number of Shares)				(Rupees)			
	As at July 01, 2021	Purchased during the period	Sold during the period	As at March 31, 2022	Carrying values as at March 31, 2022	Market value as at March 31, 2022	Market value as at March 31, 2022	Market value as at March 31, 2022
AUTOMOBILE ASSEMBLER								
Ghandhara Industries Limited	-	24,500	-	-	-	2,000	-	-
Ghandhara Nissan Limited	4,000	74,000	-	-	-	78,000	22,500	3,398
Sazgar Engineering Works Limited	-	14,500	-	-	-	14,500	-	-
CEMENT								
D.G Khan Cement Company Limited	204,000	220,000	-	-	-	424,000	-	-
Lucky Cement Limited	-	166,000	-	-	-	166,000	-	-
Maple Leaf Cement Factory Limited	-	50,000	-	-	-	50,000	-	-
Pioneer Cement Limited	261,000	500,000	-	-	-	761,000	-	-
Power Cement Limited	-	924,500	-	-	-	924,500	-	-
CHEMICALS								
Engro Polymer & Chemicals Limited	100,000	-	-	-	-	100,000	-	-
Ghani Global Holding Limited	188,000	-	-	-	-	188,000	-	-
ENGINEERING								
Aisha Steel Mills Limited	20,000	969,500	-	-	-	989,500	-	-
Amrill Steels Limited	12,000	-	-	-	-	12,000	-	-
Agha Steel Inc.Ltd	-	10,000	-	-	-	10,000	-	-
International Steels Limited	7,500	1,284,000	-	-	-	1,291,500	3,000	196
International Industries Limited	15,000	88,000	-	-	-	103,000	3,000	358
FERTILIZERS								
Fauji Fertilizer Bin Qasim Limited	-	655,500	-	-	-	655,500	-	-
Engro Corporation Limited	-	10,000	-	-	-	10,000	-	-
COMMERCIAL BANKS								
National Bank Of Pakistan	-	200,000	-	-	-	200,000	-	-
FOOD AND PERSONAL CARE PRODUCTS								
Al Shateer Corporation Limited	47,000	-	-	-	-	47,000	-	-
Fauji Foods Limited	-	44,000	-	-	-	44,000	-	-

Sector / Companies	As at July 01, 2021	Purchased during the period	Sold during the period	As at March 31, 2022	Carrying Values as at March 31, 2022	Market Value as at March 31, 2022
	(Number of Shares)					
Unity Foods Limited	1,845,500	3,344,500	4,990,000	-	-	-
Frieslandcampina Engro Pakistan Limited	-	89,500	89,500	-	-	-
Trest Corporation Limited	-	1,812,000	1,812,000	-	-	-
OIL & GAS EXPLORATION COMPANIES						
Oil & Gas Development Company Limited	300,000	101,000	401,000	-	-	-
Pakistan Petroleum Limited	-	230,000	230,000	-	-	-
OIL & GAS MARKETING COMPANIES						
Pakistan State Oil Company Limited	55,000	156,000	211,000	-	-	-
Sui Northern Gas Pipelines Limited	-	201,500	201,500	-	-	-
POWER GENERATION AND DISTRIBUTION						
Hub Power Company Limited	-	84,000	84,000	-	-	-
Kot Addu Power Company Limited	-	10,000	10,000	-	-	-
K-Electric Limited	-	1,650,000	1,650,000	-	-	-
REFINERY						
Attock Refinery Limited	95,500	645,000	740,500	-	-	-
Energycorp Pk Limited	419,000	34,804,500	29,313,500	5,910,000	29,560	30,791
Pakistan Refinery Limited	-	777,500	777,500	-	-	-
National Refinery Limited	-	30,000	17,500	12,500	2,478	2,592
CABLE AND ELECTRICAL GOODS						
Pak Elektron Limited	20,000	175,000	195,000	-	-	-
Waves Singer Pakistan Limited	-	1,644,000	1,644,000	-	-	-
GLASS AND CERAMICS						
Tariq Glass Industries Limited	32,500	25,000	32,500	-	-	-
Ghani Global Glass Limited	-	-	25,000	-	-	-
TEXTILE COMPOSITE						
Nishat Mills Limited	150,000	274,000	414,000	10,000	793	857
Nishat Chumani Limited	160,000	482,000	552,000	100,000	4,980	5,196
Gul Ahmed Textile Mills Limited	-	150,000	150,000	-	-	-
Azgard Nine Limited	-	225,000	-	225,000	2,545	2,927
TECHNOLOGY & COMMUNICATION						
Avanceon Limited	-	318,500	318,500	-	-	-
Telecard Limited	-	139,000	139,000	-	-	-
Neisoi Technologies Limited	-	22,000	22,000	-	-	-
TRG Pakistan Limited	430,000	4,315,000	3,845,000	900,000	63,750	70,065
TPL Corp Limited	-	599,000	599,000	-	-	-
Hum Network Limited	-	19,401,500	11,401,500	8,000,000	50,300	54,080
TRANSPORT						
Pakistan International Bulk Terminal Limited	-	2,300,000	2,300,000	-	-	-
MISCELLANEOUS						
TPL Properties Limited	-	11,000	11,000	-	-	-
Total - March 31, 2022					158,341	170,792
Total - June 30, 2021					324,340	319,758

6.4.1

In view of its adverse financial position, Security Leasing Corporation Limited had deferred the payment of 3rd redemption pertaining to 1,722,625 shares (face value of Rs. 10 each) due in November 2009 and 4th redemption pertaining to 1,722,625 shares (face value of Rs. 10 each) due in November 2010. As per the terms of the preference shares, the preference shareholders have preference over ordinary shareholders in the event of liquidation of the Company. The management has fully provided for its investment during the year-ended June 30, 2018.

6.5 Commercial Paper

Name of investee company	Rate of return per annum	(Face value)				Carrying value	Maturity	Rating	Carrying value as percentage of	
		As at July 01, 2021	Purchased during the period	Matured / sold during the period	As at March 31, 2022				Investments	Net assets
Waves singer Pakistan limited	11.01%	-	26,000	-	26,000	24,042	July 30, 2022	A1	2.81	2.77
TPL Corporation Limited	10.40%	-	75,000	75,000	-	-	January 11, 2022	A1	-	-
TPL Corporation Limited	10.40%	75,000	-	75,000	-	-	December 25, 2021	A1	-	-
Total - March 31, 2022					26,000	24,042				
Total - June 30, 2021					75,000	71,328				

(Rupees in '000) ----- (%) -----

		(Unaudited) March 31, 2022	(Audited) June 30, 2021
		----- (Rupees in '000) -----	
7.	PROFIT RECEIVABLE		
	Profit receivable on:		
	- Term finance and sukuks certificates	12,036	8,598
	- Commercial papers	1,088	61
	- Bank deposits	296	171
		<u>13,420</u>	<u>8,830</u>
8.	DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLE		
	Security deposits with		
	- National Clearing Company of Pakistan Limited	2,750	2,750
	- Central Depository Company of Pakistan Limited	100	100
	Prepaid fee of NCCPL	136	73
	Prepaid listing fee PSX	7	-
	Security Margin Deposit	10,409	406
	Receivable against future settlement	-	5,077
	Income receivable against Margin Trading System	-	155
	Advance tax	147	96
		<u>13,549</u>	<u>8,657</u>
8.1	As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 151 and 150. However, uptill period ended December 31, 2021, withholding tax on profit on debt and dividend paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) /2008-VOL.II - 66417- R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder.		
		(Unaudited) March 31, 2022	(Audited) June 30, 2021
		----- (Rupees in '000) -----	
9.	PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY		
	Management fee	1,180	1,016
	Sindh Sales Tax on Management fee	153	132
	Expenses allocated by the Management Company	120	103
	Federal excise duty on Management fee	4,141	4,141
	Sales load payable	13	64
	Other	48	48
		<u>5,655</u>	<u>5,504</u>
9.1	The remuneration to the Management Company is been charged at 1.5% (June 30, 2021: 1.5%) of the daily average net assets value and is payable in arrears.		
9.2	Sindh sales tax at the rate of 13% (June 30, 2021: 13%) on gross value of management fee is charged under the provisions of Sindh Sales Tax on Services Act, 2011.		
9.3	The Management Company has charged expenses at the rate of 0.15% (June 30, 2021: 0.15%) per annum of the average annual net assets of the Fund.		
9.4	There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the note 9.4 to the audited annual financial statements of the Fund for the year ended June 30, 2021. Had the said provision for FED not been recorded in this condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2022 would have been higher by Re. 0.260 per unit (June 30, 2021: Re. 0.260 per unit).		

		(Unaudited) March 31, 2022	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
10. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Trustee fee	10.1	59	51
Settlement charges payable to the trustee		8	53
Sindh sales tax on trustee fee	10.2	9	14
		<u>76</u>	<u>118</u>

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

10.2 Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on gross value of management fee under the provisions of Sindh Sales Tax on Services Act, 2011.

		(Unaudited) March 31, 2022	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
11. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual fee payable to SECP	11.1	<u>138</u>	<u>152</u>

11.1 Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, all Collective Investment Schemes are required to pay an annual fee, to the Securities and Exchange Commission of Pakistan, an amount equal to 0.02 percent of the average annual net assets of the scheme.

		(Unaudited) March 31, 2022	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
12. ACCRUED AND OTHER LIABILITIES			
Auditor's remuneration		219	336
National Clearing Company of Pakistan Limited clearing charges payable		40	57
Withholding tax payable		405	1,198
Provision against Sindh Workers Welfare Fund	12.1	-	5,784
Payable against future settlement		11,307	-
Others		854	655
		<u>12,825</u>	<u>8,030</u>

12.1 Provision for Sindh Workers' Welfare Fund (SWWF)

During the period, Sindh Revenue Board (SRB) through its letter dated August 12, 2021, has clarified the legal status of applicability of Sindh Workers' Welfare Fund (SWWF).

As per the said letter, having reference no. SRB/TP/70/2013/8772, the Asset Management Companies (AMC) are covered under the term "financial institutions" as per the section 2(G)(V) of the SWWF Act, 2014 and are therefore, subject to SWWF charge, whereas, the Mutual Funds / Pension Funds managed by those AMCs do not qualify as "Financial Institutions / Industrial Establishments" as per the SWWF Act, 2014 and are therefore, not liable to pay SWWF contributions.

The development was discussed at MUFAP level and has also been taken up with the SECP and all the AMCs, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds.

Consequently, the management has reversed all the provision recognised in respect of SWWF amounting to Rs. 5.784 million.

13. CONTINGENCIES AND COMMITMENTS

- 13.1 The commitment to sell equity securities at a future date under spread transactions amounts to Rs. 160.604 million (June 30, 2021: Rs. 328.225 million)
- 13.2 Except as disclosed in note 13.1, there are no other contingencies and commitments outstanding as at March 31, 2022 and June 30, 2021.

14. TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund from July 1, 2020 to March 31, 2022 is 2.68% (annualised) (June 30, 2021: 2.70%) and this includes 0.28% (June 30, 2021: 0.42%) representing government levies, Sindh Worker's Welfare Fund, SECP fee etc.

15. TAXATION

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

(Unaudited)	(Audited)
March 31	June 30,
2022	2021
----- (Rupees in '000) -----	

16. CASH AND CASH EQUIVALENTS

Bank balances

Market treasury bills (having original maturity upto 3 months)

8,990	45,303
<u>378,218</u>	<u>21,819</u>
<u>387,208</u>	<u>67,122</u>

17. TRANSACTIONS WITH CONNECTED PERSONS

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, the Trustee, directors and key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations and Constitutive documents of the Fund.

The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

17.1 Transactions during the period:

(Unaudited)	
For the nine months period ended	
March 31,	
2022	2021
----- (Rupees in '000) -----	

AKD Investment Management Limited - Management Company

Management fee	10,379	8,322
Sindh sales tax on management fee	1,349	1,082
Allocated expenses	1,038	832
Sales load	149	16

	(Unaudited)	
	For the nine months period ended	
	March 31,	
	2022	2021
	----- (Rupees in '000) -----	
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	519	416
CDC charges	163	101
Sindh sales tax on trustee fee	67	67
AKD Investment Management Limited-Staff Provident Fund		
Purchase of Nil(2021:Nil)	-	-
Redemption of Nil (2021:18,478)	-	978
AKD Securities Limited		
Brokerage on purchase of listed equity securities for spread transactions	1,038	-
	(Unaudited)	(Audited)
	March 31	June 30,
	2022	2021
	----- (Rupees in '000) -----	
17.2 Balance outstanding at the period / year end		
AKD Investment Management Limited - Management Company		
Management remuneration payable	1,180	1,016
Sindh sales tax payable on management remuneration	153	132
Federal excise duty payable on management remuneration	4,141	4,141
Payable against allocated expenses	120	103
Sales load payable	13	64
Others	48	48
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	59	51
Settlement charges payable	8	53
Sindh sales tax payable on trustee remuneration and settlement charges	9	14
Security deposit	100	100
AKD Securities Limited		
Brokerage on purchase of listed equity securities for spread transactions	351	95
Receivable from AKD Funds against conversion		
Golden Arrow Stock Fund	134	-
AKD Islamic Stock Fund	172	-
AKD Opportunity Fund	100	-
Unit holders holding 10% or more of the units in issue		
National Bank of Pakistan Employees Pension Fund		
Outstanding 9,855,367 (June 30, 2021: 9,855,367) units	536,855	504,227
Sindh Province Pension Fund*		
Outstanding 1,664,213 (June 30, 2021: 1,664,213) units	90,655	85,146

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(Unaudited)			
As at March 31, 2022			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
Investments			
Fair value through profit or loss			
Term finance and sukuks certificates	-	179,245	-
Sukuk certificates	-	103,869	-
Market treasury bills	-	378,218	-
Listed equity securities (spread transactions)	170,792	-	-
	<u>170,792</u>	<u>661,332</u>	<u>-</u>
			<u>832,124</u>

(Audited)			
As at June 30, 2021			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
Investments			
Fair value through profit or loss			
Term finance and sukuks certificates	-	164,168	-
Sukuk certificates	-	107,607	-
Market treasury bills	-	84,300	-
Listed equity securities (spread transactions)	319,758	-	-
	<u>319,758</u>	<u>356,075</u>	<u>-</u>
			<u>675,833</u>

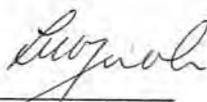
There were no transfers between various levels of fair value hierarchy during the period / year.

19. DATE OF AUTHORISATION FOR ISSUE

27 APR 2022

This condensed interim financial information was authorised for issue on _____ by the Board of Directors of the Management Company

For AKD Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director



**AKD Investment
Management Ltd.**

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