

LAKSON TACTICAL FUND

Quarterly Report (September 30, 2021)



LAKSON INVESTMENTS
WE MANAGE YOUR MONEY, AS WE MANAGE OUR OWN

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Fund's Information

Management Company	Lakson Investments Limited Head Office Lakson Square, Building No.2, Sarwar Shaheed Road, Karachi-74200, Pakistan. Phone: (9221) 3840.0000 Fax: (9221) 3568.1653 Web site: www.li.com.pk E-mail: info@li.com.pk
Board of Directors of the Management Company	Mr. Iqbal Ali Lakhani - Chairman Mr. Babar Ali Lakhani - Chief Executive Officer Mr. Jamil Ahmed Mughal Mr. Amin Mohammed Lakhani Mr. Jacques John Visser Ms. Roxanne Davies Ms. Kathleen Kennedy Townsend
Chief Financial Officer & Company Secretary of the Management Company	Syed Shafaen Hassan
Audit Committee	Mr. Jacques John Visser - Chairman Mr. Amin Mohammed Lakhani Mr. Iqbal Ali Lakhani Mr. Jamil Ahmed Mughal
Human Resource and Remuneration Committee	Mr. Babar Ali Lakhani Mr. Iqbal Ali Lakhani
Trustee	Central Depository Company of Pakistan Limited CDC House, 99-B, Block-B, S.M.C.H.S, Main Shakra-e-Faisal, Karachi, Pakistan.
Auditors	Yousuf Adil Chartered Accountants Cavish Court, A-35 Shakrah-e-Faisal, K.C.H.S.U Block 7 & 8 Bangalore Town, Karachi, Pakistan.



Bankers to the Fund

Allied Bank Limited
Bank Alfalah Limited
Dubai Islamic Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Habib Bank AG Zurich
JS Bank Limited
Telenor Microfinance Bank Limited
United Bank Limited
NRSP Microfinance Bank Limited
National Bank of Pakistan
Mobilink Microfinance Bank Limited
Silk Bank Limited
Sindh Bank Limited
Finca Microfinance Bank Limited
U Microfinance Bank Limited

Legal Adviser

Fazleghani Advocates
F-72/1, Block 8, KDA-5, Kehkashan, Clifton,
Karachi, Pakistan.

Registrar

Lakson Investments Limited
Lakson Square Building No.2, Sarwar Shaheed
Road, Karachi-74200, Pakistan

Distributor

Rabia Fida
BMA Capital Management Limited

Rating

1 Year : 4-Star
3 Year : 3-Star
5 Year : 3-Star
AM2+ : Asset Manager Rating by PACRA

Review Report of the Directors of the Management Company For the quarter ended September 30, 2021

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Tactical Fund ('LTF' or 'Fund') is pleased to submit its review report together with Condensed Interim Financial Information for the period ended September 30, 2021.

Fund Objective

The investment objective of the LTF is to provide long-term capital appreciation by investing in a mix of securities comprising debt, equity and commodities future contracts.

Principal activities

LTF is an open-end asset allocation fund and is listed on Pakistan Stock Exchange Limited. The Fund is managed using an active investment management style which focuses on an analysis of macro factors such as government policies, interest rates, liquidity, exchange rates and economic growth. The Fund switches exposure between domestic debt securities and domestic equities based on the forward price to earnings multiple of the equity market. Asset allocation to different sectors and stocks will be made on the basis of earnings growth and management quality. Exposure of the scheme in fixed income securities is managed through duration and yield curve management. The Fund may overweight or underweight commodities relative to its benchmark for commodities investment.

Fund performance

Lakson Tactical Fund generated an absolute return of -2.46% against the benchmark return of -3.06% in the 1QFY22. The fund outperformed the benchmark by 0.6%. As of September 30, 2021, LTF portfolio was invested 67% in Equities, 10% in TFCs/Sukuks and 17% in Cash.

Loss per Unit (LPU)

LPU has not been disclosed as we feel the determination of weighted average units for calculating LPU is not practicable for open end funds

Economic Review

The State Bank of Pakistan raised the policy rate by 25bps to 7.25% - the first change since June 2020. The key driving factor behind the decision was the widening C/A deficit in recent months, because of which the PKR has slipped +7%. The current account deficit print has been outside the SBP's comfort zone of 2-3% of GDP band in two of the last three months. The high CAD print for August rose to US\$1.47bn, up from US\$0.8bn in July. The near US\$1.0bn mom increase in CAD almost mirrored the mom increase in imports. A much larger CAD was not surprising given the c.6% PKR devaluation in preceding two months. Additionally machinery imports remain elevated due to TERF drawdowns while higher international commodity prices are pushing Food & Oil imports higher. This prompted further weakness in the exchange rate. The deficit reached US\$3.4bn in 1QFY22 vs. US\$865mn SPLY. Remittances remained strong at US\$2.66bn (nearly flat mom). Even though Eid-ul-Azha fell in July, there had been no let-up in remittances ever since - meaning Pakistan can sustain the present rate, regardless of the state of global pandemic. This is partly due to the surge in global oil prices, which have revived the GCC economies (they collectively have the lion's share). That said, resumption of the IMF program is a must, with fx reserves having declined to PKR19.2bn vs. +PKR20bn in August 2021. The PKR depreciated 7.7% qoq in 3QCY21 to PKR170.6 vs. PKR157.5 at the end of June 2021 due to an increased appetite from importers, (particularly oil), following persistent rise in international oil prices (up c. 50%CYTD) as well as demand from across the border. National CPI averaged 8.6% in Jul-September 2021 vs. 10.5% in April-June 2021 (also lower vs. 8.9% average in FY21). That said, inflation readings have started inching upwards due to rise in food and energy prices. A sharp mom jump has been observed in September 2021 (up 2.12%mom) primarily on account of a sharp rise in perishable food prices. Hence, Urban CPI readings rose to 9.1%yoy and 8.8% in Rural centers.

Fixed Income Market Review

GoP raised cumulative PKR3.5tn in T-Bill auctions during 3QCY21 vs. PKR5.4tn in the previous quarter and PKR1.9tn SPLY. Participation thinned in 3Q as expectations of a rate hike solidified (25bps hike in Spe'21) with bids shifting towards the shorter end of the T-Bill range (3-6 months). T-Bill yields rose sharply following the hike - where 3M, 6M tenors rose to 7.64%, 7.98% with rejections in 12M at the end of September 2021 vs. 7.31%, 7.58%, and 7.67% at the end of in June 2021. PIBs witnessed



participation dropped to PKR406bn in 3QCY21 vs. PKR582bn in 2Q and PKR249bn SPLY. Cut-off yields rose for 3-yr PIBs to 8.88% vs. 8.69% at the end of June 2021, 5-yr and 10yr tenor yields remained stable at 9.20% and 9.84%. We think yields will continue to inch higher as spiking inflation and external account pressures prompt further rate hikes.

Equity Market Review

The KSE-100 shed 5.2% during 3QCY21, reversing most of its gains from the previous quarter (c. 6% in 2QCY21) to close September 2021 at 44,899.6pts. Volumes remained thin while foreign selling accelerated, particularly in Banks. The key reasons behind the poor market performance were (i) continued uncertainty on Afghanistan and a possible cascading impact on US-Pakistan relations, (ii) a renewed exodus of foreign funds after MSCI announced the FM downgrade decision, and (iii) continued import-led widening of the current account which kept up the pressure on the PKR (6.4%CYTD depreciations vs. the USD) and (iv) forced the SBP to commence monetary tightening (25bps hike in the Policy Rate to 7.25% in the September'21 Monetary Policy). In the absence of top-down clarity, the equity market largely ignored the strong 2QCY21 corporate results. Participation has thinned substantially with Average daily traded value narrowing to US\$126mn in 3Q vs. US\$194mn in 2Q and +US\$250mn during May-June'21. Foreign selling contracted marginally to US\$83mn in 3Q vs. US\$92mn in 2Q, concentrated largely in Banks, Other sec. and Cements. This was mopped up by Individuals, Banks/DFIs and Other organizations. Nevertheless, there are encouraging signs that Pakistan remains committed to macroeconomic reforms as well as the resumption of the stalled IMF program. The risk of adverse US action is remote, while progress on IMF talks can restore investor confidence and enable Pakistan equities to bounce back as year-end approaches.

Commodities Review

Energy was the best-performing component in the quarter. The price of natural gas was significantly higher in the quarter, closely followed by gains in the prices of gas oil and heating oil. Unleaded gasoline also gained strongly on stronger demand as consumers started to return to normal consumption patterns after the Covid-19 crisis. The industrial metals component was modestly higher, with a sharp rise in the price of aluminum offsetting price declines for lead, copper and nickel. The price of zinc was almost unchanged. The precious metals component also declined, with the price of silver sharply lower. The price of gold was also lower, but the decline was more modest.

Future Outlook

The SBP has signaled that it will remain vigilant about the external account and fiscal balance, and it will adjust rates as and when required. We expect a c. 150-200bps increase in the Policy rate on average in CY22f, where treasury yields have already begun to reflect this expectation. Successful resolution of ongoing IMF talks and resultant disbursement of US\$1bn tranche will significantly ease pressures. However, this will coincide with higher fuel prices, energy tariffs and removal of relaxations on GST (in the shape of a mini budget expected shortly). To this end, the PTI Government has already increased petrol prices by PKR10.5/ltr (to reflect recent sharp rise in oil prices to US\$85/bbl) and approved a countrywide uniform increase in base electricity tariff of PKR1.39/unit. This will prove inflationary and is likely prompt the aforesaid interest rate hike in our view. From the perspective of the equity market, we view market to remain volatile year ending FY22. Nonetheless sectors such as Banks, Tech and selective names in Cements and Textile appear enticing.

Acknowledgement

The Board is thankful to its valued investors, the Securities & Exchange Commission of Pakistan, the State Bank of Pakistan, the Trustee of the Fund - Central Depository Company of Pakistan Limited and the management of the Pakistan Stock Exchange Limited for their continued cooperation and support. The Directors of the Management Company also acknowledge the efforts put in by the team of the Management Company for the growth and the prudent management of the Fund

For and on Behalf of the Board

Director

Chief Executive Officer

Dated: October 26, 2021



لیکسن ٹیکٹیکل فنڈ

30 ستمبر 2021 کو ختم ہونے والی مدت کے لیے

میٹجمنٹ کمپنی کے ڈائریکٹرز کی جائزہ رپورٹ

لیکسن انویسٹمنٹس لمیٹڈ کا بورڈ آف ڈائریکٹرز لیکسن ٹیکٹیکل فنڈ ("LTF") کی میٹجمنٹ کمپنی 30 ستمبر 2021 کو ختم ہونے والی مدت کے لیے اپنی جائزہ رپورٹ مع مختصر عبوری مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کرتا ہے۔

فنڈ کا مقصد

لیکسن ٹیکٹیکل فنڈ کی سرمایہ کاری کا مقصد، ڈیٹ (Debt)، ایکویٹی اور کموڈٹیجز پر مشتمل مختلف طرح کی سیکورٹیز میں سرمایہ کاری کرتے ہوئے سرمائے کی قدر میں طویل مدتی اضافہ کرنا ہے۔

اہم سرگرمیاں

LTF ایک ایلیٹیشن اسکیم ہے جسے متعلقہ اثاثوں کی کلاسز کے متوقع منافع جات اور میٹجمنٹ کمپنی کی صوابدید کی بنیاد پر ڈیٹ (Debt)، ایکویٹی پر مبنی انٹر وینس اور کموڈٹیجز کے درمیان سرمایہ کاری کے رد و بدل کی اجازت ہے اس صوابدید کا اطلاق اقتصادی ماحول کے تجربے کے بعد کیا جائے گا جس میں افراط زر، کرنسی کی قدر میں کمی، شرح سود، GDP کی نمو، حکومتی پالیسی، عالمی اقتصادی ڈیٹا، کموڈٹیجز کی قیمتیں اور رسد/طلب کا تحریک شامل ہے۔ گلسڈ آگم سیکورٹیز میں اسکیم کی سرمایہ کاری کا انتظام و انصرام کو حکومتی سیکورٹیز کی مختلف میچورٹیز کے درمیان منتقلی کے ذریعے دورانیے اور yield curve میٹجمنٹ کے ذریعے کیا جائے گا۔

ایکویٹی میں سرمایہ کاری کا انتظام و انصرام ان بنیادی اقدار کے تعین کے لیے نیچے سے اوپر کی طرف تجربے کے ذریعے کیا جائے گا جو فنڈ کو پرکشش منافع کمانے کے قابل بنا سکیں۔ حکومتی سیکورٹیز کی مختلف میچورٹیز کے درمیان منتقلی کے ذریعے دورانیے اور yield curve میٹجمنٹ کے ذریعے کیا جائے گا۔ فنڈ کموڈٹیجز میں سرمایہ کاری کے لیے بیچ مارک کو متعلقہ کموڈٹیجز کے مطابق اوور ویت یا انڈرو ویت کر سکتا ہے۔

فنڈ کی کارکردگی

لیکسن ٹیکٹیکل فنڈ نے مئی سال 2022 کی پہلی سہ ماہی میں بیچ مارک منافع 3.06% کے مقابلے میں 2.46% مطلق منافع پیش کیا۔ فنڈ نے مدت کے دوران بیچ مارک کو 0.6% سے پیچھے چھوڑ دیا۔ 30 ستمبر 2021 کے مطابق LTF پورٹ فولیو نے ایکویٹیجز میں 67% TFCs/سکلوس میں 10% اور کیش میں 17% سرمایہ کاری کی۔

نی یونٹ خسارہ (LPU)

نی یونٹ خسارہ (LPU) ظاہر نہیں کی گئی ہے کیوں کہ ہم محسوس کرتے ہیں کہ LPU شمار کرنے کے لیے تخمینہ شدہ اوسط یونٹس کا تعین اوپن اینڈ فنڈز کے لیے قابل عمل نہیں ہے۔



معاشی جائزہ

اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ 25 بنیادی پوائنٹس بڑھا کر 7.25 فیصد کر دیا۔ جون 2020 کے بعد یہ پہلی تبدیلی ہے۔ اس فیصلے کے پیچھے کلیدی عنصر حالیہ مہینوں میں بڑھتا ہوا کرنٹ اکاؤنٹ خسارہ تھا، جس کی وجہ سے پاکستانی میں 7 فیصد سے زائد گراؤ آئی۔ گزشتہ تین مہینوں میں دو ماہ میں کرنٹ اکاؤنٹ خسارہ ایس بی پی کے جی ڈی پی ہینڈ کے 3-2 فیصد کی آرام دہ حد سے باہر رہا ہے۔ اگست کے لیے کرنٹ اکاؤنٹ خسارہ بڑھ کر 1.47 ارب ڈالر ہو گیا جو کہ جولائی میں 0.8 ارب ڈالر تھا۔ کرنٹ اکاؤنٹ خسارے میں تقریباً 1.0 ارب ڈالر کا اضافہ درآمدات میں ماہ بہ ماہ اضافے کی عکاسی کرتا ہے۔ پچھلے دو مہینوں میں پاکستانی روپے کی قدر میں 6% کمی کے باعث بہت بڑا کرنٹ اکاؤنٹ خسارہ حیران کن نہیں تھا۔

مزید برآں TERF سے استفادے کے نتیجے میں مشینری کی درآمدات میں اضافہ رہا جبکہ اجناس کی بلند عالمی قیمتیں خوراک اور تیل کی درآمدی لاگت بڑھا رہی ہیں۔ اس سے شرح مبادلہ میں مزید کمزوری آئی۔ مالیاتی سال 2022 کی پہلی سہ ماہی میں خسارہ گزشتہ سال اسی مدت میں 865 ملین ڈالر کے مقابلے میں 3.4 ارب ڈالر تک پہنچ گیا۔ تریلاٹ زر 2.66 ارب ڈالر پر (ماہ بہ ماہ بنیاد پر تقریباً ہموار) مضبوط رہی۔

اگرچہ عید الاضحیٰ جولائی میں پڑی، اس کے بعد سے تریلاٹ زر میں کوئی کمی نہیں آئی۔ اس کا مطلب ہے کہ عالمی وبا کی صورت حال سے قطع نظر، پاکستان موجودہ شرح کو برقرار رکھ سکتا ہے۔ یہ جزوی طور پر تیل کی عالمی قیمتوں میں اضافے کی وجہ سے ہے، جس نے جی سی سی معیشتوں کو بحال کیا ہے (جو اجتماعی طور پر بڑا حصہ رکھتی ہیں)۔ اس کے باوجود، آئی ایم ایف پروگرام کا دوبارہ آغاز ضروری ہے، زر مبادلہ کے ذخائر اگست 2021 میں +20 ارب ڈالر کے مقابلے میں کم ہو کر 19.2 ارب ڈالر ہو گئے۔ سال 2021 کی تیسری سہ ماہی جون 2021 کے اختتام پر 157.5 روپے کے مقابلے میں 7.7% سہ ماہی بہ سہ ماہی کی ساتھ افتتاح کو پہنچی، جس کی وجہ درآمد کنندگان کی بڑھتی ہوئی طلب، (خاص طور پر تیل)، تیل کی بین الاقوامی قیمتوں میں مسلسل اضافے کے بعد (موجودہ سال اب تک 50 فیصد) نیز سرحد پار سے مانگ میں اضافہ ہے۔ قومی سی پی آئی کی اوسط اپریل جون 2021 میں 10.5% کے مقابلے میں (جو مالی سال 2021 میں 8.9% کے مقابلے میں بھی کم ہے) جولائی ستمبر 2021 میں 8.6% رہی۔ اس کے باوجود خوراک اور توانائی کی قیمتوں میں اضافے کی وجہ سے افراط زر کے اعداد شمار اوپر کی طرف بڑھنے لگے ہیں۔ ستمبر 2021 میں بنیادی طور پر قابل اتلاف ایشیائے خوردنی کی قیمتوں میں تیزی سے اضافے کی وجہ سے ماہ بہ ماہ کی بنیاد پر تیزی سے اچھال دیکھا گیا (ماہ بہ ماہ بنیاد پر 2.12%)۔ لہذا، شہروں کے سی پی آئی اعداد و شمار میں 9.1% اور دیہی مراکز میں 8.9% تک سال بہ سال بنیاد پر اضافہ ہوا۔

گلسڈ آگم مارکیٹ کا جائزہ

حکومت پاکستان نے گزشتہ سہ ماہی میں 5.4 ٹریلین روپے اور گزشتہ سال اسی مدت میں 1.9 ٹریلین روپے کے مقابلے میں سال 2021 کی تیسری سہ ماہی میں مجموعی طور پر 3.5 ٹریلین روپے ٹی بل نیلامیوں سے جمع کیے۔ تیسری سہ ماہی میں سرمایہ کاری میں کمی آئی، جیسا کہ شرح سود میں اضافے کی توقعات مستحکم ہوئیں (ستمبر 2021 میں 25 بنیادی پوائنٹس کا اضافہ) اور بولیاں کم مدتی ٹی بل (3 سے 6 ماہ) کی طرف منتقل ہوئیں۔ شرح سود میں اضافے کے بعد ٹی بل کی آمدن میں تیزی سے اضافہ ہوا جہاں جون 2021 کے اختتام پر 7.31%، 7.58% اور 7.67% کے مقابلے میں ستمبر 2021 کے اختتام پر 12 ماہ کی میعاد کے لیے بولی مسترد ہونے کے ساتھ سہ ماہی اور ششماہی میعادوں کے لیے آمدن 7.64% اور 7.98% تک بڑھ گئی۔ PIB میں سرمایہ کاری نے دوسری سہ ماہی میں 582 ارب روپے اور گزشتہ سال اسی مدت میں 249 ارب روپے کے مقابلے میں سال 2021 کی تیسری سہ ماہی میں 406 ارب روپے تک گراؤ دیکھی۔ جون 2021 کے اختتام پر PIBs کے لیے 3 سالہ میعاد کے حتمی آمدن جون 2021 کے اختتام پر 8.69% کے مقابلے میں 8.88% تک بڑھ گئی جب کہ 5 سالہ اور 10 سالہ میعاد کے لیے آمدن 9.20% اور 9.84% پر مستحکم رہی۔



ہمارے خیال میں مہنگائی اور بیرونی کھاتوں کے دباؤ سے شرح سود میں مزید اضافے کی وجہ سے آمدن میں بتدریج اضافہ جاری رہے گا۔

ایکویٹی مارکیٹ کا جائزہ

سال 2021 کی تیسری سہ ماہی کے دوران KSE-100 میں 5.2% فیصد کمی ہوئی، جس سے پچھلی سہ ماہی (سال 2021 کی دوسری سہ ماہی میں 6% اضافہ) کے زیادہ تر منافع جات واپس ہو گئے اور ستمبر 2021 کا اختتام 44,899.6 پوائنٹس پر کیا۔ سودوں کا حجم کم رہا جبکہ غیر ملکی سرمایہ کاروں کی طرف سے فروخت تیز رہی، خاص طور پر بینکوں میں۔ مارکیٹ کی ناقص کارکردگی کے پیچھے اہم وجوہات یہ تھیں (i) افغانستان کے حوالے سے مسلسل غیر یقینی صورتحال اور امریکہ پاکستان تعلقات پر کھنڈ بڑھتے ہوئے اثرات، (ii) ایم ایس سی آئی کی جانب سے ایف ایم تک ڈاؤن گریڈ کرنے فیصلے کے اعلان کے بعد غیر ملکی سرمایہ کاری کا از سر نو اخراج۔ درآمدات کے باعث کرنٹ اکاؤنٹ خسارے میں اضافہ جس نے پاکستانی روپے پر دباؤ برقرار رکھا (ڈالر کے مقابلے میں موجودہ سال اب تک قدر میں 6.4% کمی) اور (iv) اسٹیٹ بینک کا مالیاتی سختی شروع کرنے پر مجبور ہونا (شرح میں 25bps اضافہ ستمبر 2021 میں مالیاتی پالیسی میں شرح سود میں 7.25% تک اضافہ)۔

اوپر سے نیچے تک وضاحت کی عدم موجودگی میں، ایکویٹی مارکیٹ نے سال 2021 کی دوسری سہ ماہی کے بڑے پیمانے پر متحکم کاروباری نتائج کو نظر انداز کیا۔ سرمایہ کاری میں کافی حد تک کمی آئی ہے اور اوسط یومیہ سودوں میں دوسری سہ ماہی میں 194 ملین ڈالر اور مئی جون 2021 کے دوران 250 ملین ڈالر کے مقابلے میں تیسری سہ ماہی میں اوسط یومیہ سودوں کی مالیت 126 ملین ڈالر تک کم ہو گئی۔ دوسری سہ ماہی میں 92 ملین ڈالر کے مقابلے میں غیر ملکی فروخت کاری معمولی کمی کے ساتھ 84 ملین ڈالر رہی جس کا ارتکاز بینکوں، دیگر شعبوں اور سینٹ پر رہا۔ اس کا الزامہ افراد، بینکوں/DFIs اور دیگر اداروں نے کر دیا۔ بہر حال حوصلہ افزا اعلانات موجود ہیں کہ پاکستان بدستور مجموعی اقتصادی اصلاحات اور رکھے ہوئے آئی ایم ایف پروگرام کی بحالی کے لیے کوشاں رہے گا۔ مثالاً امریکی کارروائی کا خطرہ کم ہے، جبکہ آئی ایم ایف مذاکرات میں پیش رفت سرمایہ کاروں کا اعتماد بحال اور سال کے اختتام کے قریب آتے ہی پاکستان کی ایکویٹی میں دوبارہ اچھال لاسکتی ہے۔

کموڈیٹیز کا جائزہ

توانائی (انرجی) سہ ماہی میں بہترین کارکردگی کا مظاہرہ کرنے والا جزو تھا۔ قدرتی گیس کی قیمت اس سہ ماہی میں نمایاں طور پر زیادہ رہی، جس کے فوراً بعد گیس آئل اور ہیٹنگ آئل کی قیمتوں میں اضافہ ہوا۔ ان لیڈ ڈیپزول نے بھی زبردست طلب پر زیادہ منافع حاصل کیا کیونکہ صارفین نے کوویڈ-19 کے بحران کے بعد کھپت کے معمولات پر واپس لوٹنا شروع کیا۔ صنعتی دھاتوں کا جزو معمولی طور پر زیادہ رہا، ایلومینیم کی قیمت میں تیزی سے اضافے نے سبسائڈ تانبے اور نکل کی قیمتوں میں کمی کے اثرات زائل کر دیے۔ زنک کی قیمت میں لگ بھگ کوئی تبدیلی نہیں ہوئی۔ قیمتی دھاتوں کے اجزاء میں بھی کمی آئی، چاندی کی قیمت میں تیزی سے کمی ہوئی۔ سونے کی قیمت بھی کم رہی، لیکن گراؤ معمولی تھی۔

مستقبل کی توقعات

اسٹیٹ بینک نے اشارہ دیا ہے کہ وہ بیرونی کھاتے اور مالیاتی توازن کے بارے میں چوکس رہے گا، اور سود کی شرحیں حسب ضرورت ایڈجسٹ کرے گا۔ ہم سال 2022 میں پالیسی کی شرح میں اوسطاً 150 تا 200 بنیادی پوائنٹس کے اضافے کی توقع کرتے ہیں۔ جہاں حکومتی تسکات پر آمدن پہلے ہی یہ توقع ظاہر کرنا شروع کر چکی ہے۔ آئی ایم ایف سے جاری مذاکرات کا کامیاب حل اور اس کے نتیجے میں 1 ارب ڈالر کی قسط کی ادائیگی سے دباؤ میں نمایاں کمی



آئے گی۔ تاہم، یہ ایندھن کی قیمتوں، توانائی کے نرخوں میں اضافے اور جی ایس ٹی پر رعایتیں واپس لینے کے ساتھ ہوگا (جلدی متوقع مبنی بھٹ کی شکل میں)۔ اس مقصد کے لیے پی ٹی آئی حکومت پہلے ہی بیٹرول کی قیمتوں میں 10.5 روپے فی لیٹر اضافہ کر چکی ہے (جو تیل کی قیمتوں میں حالیہ تیزی سے 85 امریکی ڈالر/بی بی ایل تک اضافے کی عکاسی کرتا ہے) اور ملک بھر میں بجلی کے بنیادی نرخ میں 1.39 روپے فی یونٹ کے یکساں اضافے کی منظوری دے چکی ہے۔ ہمارے خیال میں یہ افراط زر میں اضافے کا سبب ثابت ہوگا اور ممکنہ طور پر شرح سود میں مذکورہ بالا اضافہ کا سبب بنے گا۔ ایکویٹی مارکیٹ کے نقطہ نظر سے، ہم مابلی سال 2022 کو مارکیٹ کے لیے غیر مستحکم سال کے طور پر ختم ہوتا دکھ رہے ہیں۔ بہر حال بینکس، ہیکنا لوجی اور سیمنٹ اور ٹیکسٹائل جیسے شعبوں میں منتخب نام پر کشش دکھائی دیتے ہیں۔

اظہار تشکر

یہ بورڈ اپنے قابل قدر انویسٹرز، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، فنڈ کے ٹرسٹی، سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ اور پاکستان اسٹاک ایکسچینج لمیٹڈ کا، ان کے مسلسل تعاون اور مدد پر شکریہ ادا ہے۔ مینجمنٹ کمپنی کے ڈائریکٹرز فنڈ کی ترقی اور دانش مندانہ انتظام و انصرام کے لیے مینجمنٹ کمپنی کی ٹیم کی محنت اور کاوشوں کا بھی اعتراف کرتے ہیں۔

برائے و مخائب بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 26 اکتوبر 2021

**Condensed Interim Statement of Assets and Liabilities
As at September 30, 2021**

	Note	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
ASSETS		(Rupees)	
Bank balances	5	110,074,388	209,713,266
Investments	6	505,678,782	423,733,576
Markup accrued and dividend receivable		8,557,038	3,330,193
Deposits, prepayments and other receivables		3,704,701	5,242,913
Receivable against sale of securities			2,006,636
TOTAL ASSETS		628,014,910	644,026,584
LIABILITIES			
Payable to the Management Company		2,638,241	2,734,352
Payable to the Trustee		218,182	221,016
Payable to Securities and Exchange Commission of Pakistan		152,331	120,582
Accrued expenses and other liabilities		961,122	9,894,203
Payable against purchase of securities		14,239,230	3,577,090
TOTAL LIABILITIES		18,209,107	16,547,242
NET ASSETS		609,805,803	627,479,342
UNITHOLDERS' FUND (as per statement of movement in unit holders' fund)		609,805,803	627,479,342
CONTINGENCIES AND COMMITMENTS	10		
(Number of units)			
Number of units in issue		6,026,156	6,048,514
(Rupees)			
Net assets value per unit		101.1931	103.7410

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

For Lakson Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**Condensed Interim Income Statement (Unaudited)
For the quarter ended September 30, 2021**

	Note	2021	2020
		(Rupees)	
INCOME			
Realized Gain / (loss) on sale of investment at fair value through profit or loss - net		(433,514)	21,969,665
Unrealised appreciation / (diminution) on re-measurement of investments 'at fair value through profit or loss' - net		(30,724,394)	37,645,782
		(31,157,908)	59,615,447
Dividend income on investments held at fair value through profit or loss		6,811,425	1,189,732
Markup on:			
- Bank balances calculated using effective interest method		3,577,893	2,440,243
- Government and other debt securities using effective interest method		2,035,120	2,770,098
		5,613,013	5,210,341
Exchange (loss)/gain on foreign currency deposits		60,897	(10,905)
Reversal of SWWF		6,776,542	-
		(11,896,030)	66,004,614
EXPENSES			
Remuneration of the Management Company	7.1	1,980,072	1,991,215
Sindh Sales tax on remuneration to the Management Company	7.2	257,409	258,858
Remuneration of the Trustee		358,760	316,786
Annual fee to the Securities and Exchange Commission of Pakistan		31,749	28,034
Auditors' remuneration		116,611	91,708
Fees and subscription		132,328	132,328
Printing charges		-	5,085
SECP supervisory fee		630	630
Brokerage, bank and settlement charges		578,948	552,149
Total expenses		3,456,507	3,376,793
Net income / (loss) from operating activities		(15,352,537)	62,627,821
Sindh Workers' Welfare Fund (SWWF)	8.1	-	(1,252,556)
Net income / (loss) for the period before taxation		(15,352,537)	61,375,265
Taxation	11	-	-
Net income / (loss) for the period after taxation		(15,352,537)	61,375,265
Allocation of net income for the period after taxation			
Net income for the period after taxation		-	61,375,265
Income already paid on units redeemed		-	(1,199,810)
		-	60,175,455
Accounting income available for distribution			
- Relating to capital gains		-	58,412,092
- Excluding capital gains		-	1,763,363
		-	60,175,455

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

**For Lakson Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director



**Condensed Interim Statement of Comprehensive Income (Unaudited)
For the quarter ended September 30, 2021**

	2021	2020
	(Rupees)	
Net income / (loss) for the period after taxation	(15,352,537)	61,375,265
Other comprehensive income for the period	-	-
Total comprehensive income / (loss) for the period	<u>(15,352,537)</u>	<u>61,375,265</u>

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

For Lakson Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**Condensed Interim Statement of Movement in Reserve or Unit Holders' Fund (Unaudited)
 For the quarter ended September 30, 2021**

	2021		2020		Total
	Capital value	Undistributed Income	Capital value	Undistributed Income	
Net assets at beginning of the period	638,236,302	(10,756,959)	599,038,917	(92,393,831)	506,645,086
Issuance of 86 units (2020: NIL)					
- Capital value	9,000	-	-	-	-
- Element of loss	-	-	-	-	-
Total proceeds on issuance of units	9,000	-	-	-	-
Redemption of 22,444 units (2020: 106,315 units)					
- Capital value	(2,330,000)	-	(9,300,190)	-	(9,300,190)
- Element of income	-	-	(1,199,810)	-	(1,199,810)
Total payments on redemption of units	(2,330,000)	-	(9,300,190)	(1,199,810)	(10,500,000)
Distribution to the unit holders in cash					
Accounting (loss) / income for the period	-	(15,413,434)	-	61,386,170	61,386,170
Exchange gain / (loss) on foreign currency deposits	-	60,897	-	(10,905)	(10,905)
Total comprehensive income for the period	-	(15,352,537)	-	61,375,265	61,375,265
Net assets as at end of the period	635,915,302	(26,109,534)	589,738,727	(32,218,376)	557,520,351
Undistributed income brought forward:					
- Realized income	(10,756,997)	-	-	(92,393,868)	-
- Unrealized income	-	-	-	-	-
Accounting income available for distribution:					
Relating to capital gains	-	-	-	58,412,092	-
Excluding capital gains	-	-	-	1,763,363	-
	-	-	-	60,175,455	-
Net income / (loss) for the period after taxation	(15,352,537)	-	-	61,375,265	-
Undistributed income at end of the period	(26,109,534)	-	29,156,853	-	29,156,853
Undistributed income carried forward					
- Realized income	(4,614,860)	-	-	(8,488,979)	-
- Unrealized income	(30,724,394)	-	-	37,645,782	-
	(26,109,534)	-	29,156,853	-	29,156,853
Net assets value per unit at beginning of the period		103,741			87,4778
Net assets value per unit at end of the period		101,1931			98,0620

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

**For Lakson Investments Limited
 (Management Company)**

 Chief Executive Officer

 Chief Financial Officer

 Director

**Condensed Interim Cash Flow Statement (Unaudited)
For the quarter ended September 30, 2021**

	2021	2020
	(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income / (loss) for the period before taxation	(15,352,537)	61,375,265
Adjustments for:		
Capital (gain) / loss on sale of investments - net	-	-
Unrealised loss on revaluation of held for trading investments - net	30,724,394	(37,645,782)
Dividend income on held for trading investments	(6,811,425)	(1,189,732)
Markup on bank balances and investments	(5,613,013)	(4,692,130)
	2,947,419	17,847,621
Decrease / (increase) in assets		
Investments - net	(112,669,602)	35,670,849
Advances, deposits, prepayments and other receivables	1,538,212	407,431
Receivable against settlement of investments	2,006,636	3,419,898
	(109,124,754)	39,498,178
(Decrease) / increase in liabilities		
Payable to the Management Company	(96,110)	547,127
Remuneration payable to the Trustee	(2,834)	11,825
Annual fee payable to the Securities and Exchange Commission of Pakistan	31,749	(97,802)
Payable against purchase of investments	10,662,140	1,812,301
Accrued expenses and other liabilities	(8,933,081)	1,694,054
	1,661,864	3,967,505
Dividend income received	2,353,914	136,395
Markup on bank balances and investments	4,843,679	623,038
Net cash used in / (generated from) operating activities	(97,317,878)	62,072,737
CASH FLOW FROM FINANCING ACTIVITIES		
Cash received from issue of units	9,000	
Cash paid on redemption of units	(2,330,000)	(10,500,000)
Net cash used in from financing activities	(2,321,000)	(10,500,000)
Net decrease in cash and cash equivalent	(99,638,878)	51,572,737
Cash and cash equivalent at the beginning of the period	209,713,266	64,761,550
Cash and cash equivalent at the end of the period	110,074,388	116,334,287

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

**For Lakson Investments Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

**Notes to the Condensed Interim Financial Information (Unaudited)
For the quarter ended September 30, 2021**

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Lakson Tactical Fund ("the Fund") was established under Trust Deed executed on May 30, 2011 between Lakson Investments Limited as its Management Company and Central Depository Company of Pakistan Limited (CDC) as its Trustee. The Fund has been registered as a notified entity on July 7, 2011 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The Management Company of the Fund has been licensed by SECP to undertake Asset Management and Investment Advisory Services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. The registered office of the Management Company is located at 14 - Ali Block, New Garden Town, Lahore. while the head office is in the Lakson Square Building No. 2, Karachi.

1.2 The Fund is an open end mutual fund and is listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units can also be redeemed by surrendering them to the Fund.

The Fund is categorised as "Asset Allocation Scheme" as per the Circular 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP) and is authorised to invest within the prescribed limits as mentioned in the offering documents of the Fund in listed equity securities, Government securities, debt securities, deposits with banks, preference shares, placement of funds with financial institutions, reverse repo, margin trading system, money market placement, commercial paper, unlisted equity securities only if an application for listing of such securities has been accepted by the stock exchange, future contracts of equity and commodity and any other instruments authorized by SECP in Pakistan. Further, as allowed by SECP and the State Bank of Pakistan, the Fund can invest abroad up to 30% of the aggregated funds mobilized (including foreign currency funds) subject to a maximum limit of USD 15 million. The investments authorized outside Pakistan include exchange traded funds based on equities / debt with exposure in the commodities, index tracker funds tracking different commodities indices, actively managed commodities based funds, equities and debt securities of companies with exposure in commodities, future contracts of different commodities and foreign currency deposits etc.

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

1.4 Pakistan Credit Rating Company Limited (PACRA) has maintained the rating of the Management Company of the Fund to the scale 'AM2+' (stable outlook) vide its report dated 27 August 2021 (2020: AM2+ as on 28 August 2020).

On 16 August 2021, VIS assigned following rankings to the Fund based on the performance review for the period ended 31 December 2020:

1 Year ranking: 4-Star
3 Year ranking : 3-Star
5 Year ranking: 3-Star

1.5 Due to the enactment of the Sindh Trusts Act, 2020 (as amended vide Sindh Trusts (Amended) Act, 2021), the Trusts including Collective Investment Scheme, private Funds etc, being Specialized Trusts are required to be registered with the Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh under Section 12A of the Sindh Trusts Act, 2020. For this purpose, Re-States Trust Deeds of all Funds have been executed between the Management Company and the Trustees and all the relevant Trust Deeds alongwith necessary documents have been submitted with Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh."

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part 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 requirements of the Trust Deed.

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

The comparative Statement of Assets and Liabilities presented in these condensed interim financial information as at 30 June 2021 has been extracted from the audited financial statements of the Company for the year ended 30 June 2021, whereas the comparative profit and loss account, statement of comprehensive income, the cash flow statement and statement of changes in equity for the quarter ended 30 September 2021 have been extracted from the unaudited condensed interim financial information for the period then ended.

- 2.2 This condensed interim financial information do not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended 30 June 2021. However, selected explanatory notes are included to explain events and transactions that are significant.
- 2.3 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (g) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations) and are unaudited.

In compliance with schedule V of the NBFC Regulations 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 September 30, 2021.

2.4 Basis of measurement

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

2.5 Functional And Presentation Currency

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

2.6 SIGNIFICANT JUDGEMENTS AND ESTIMATES

The preparation of 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.



The significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended June 30, 2021.

3 SIGNIFICANT ACCOUNTING POLICIES

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

4 FINANCIAL RISK MANAGEMENT

The Fund financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2020.

		September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	(Rupees)	
5 BANK BALANCES			
In local currency			
In profit and loss sharing accounts	5.1	109,275,772	208,975,548
In current account		8,503	8,503
In foreign currency			
In current account	5.2	790,112	729,215
		<u>110,074,388</u>	<u>209,713,266</u>

5.1 These carry mark-up rates ranging from 5.75% to 8.80% (2020: from 5 % to 7.65%) per annum.

5.2 This represents USD denominated current account maintained in foreign country.

6 INVESTMENTS

At fair value through profit or loss

Listed equity securities	6.1	420,027,997	353,439,991
Term finance certificates	6.2	60,770,787	45,493,585
Sukuk certificates		#REF!	-
Government securities	6.2.3	24,880,000	24,800,000
		<u>505,678,784</u>	<u>423,733,576</u>
		-	-
		<u>505,678,784</u>	<u>423,733,576</u>

6.1 At fair value through profit or loss

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of the Investee Company	Number of Shares				Market Value as at 30 September 2021 (Rupees)				Unrealised gain / (loss) - net	Market value as percentage of total Investments	Market value as percentage of net assets	% of holding in investee company
	Holding as at July 01, 2021	Purchased during the period	* Bonus shares / letter of right received during the period	Disposed during the period	Holding as at September 30, 2021	Carrying value before revaluation as of 30 September 2021	Market value as of 30 September 2021 (after revaluation)	Market value as of 30 September 2021 (before revaluation)				
Commercial Banks												
Bank Al Habib Limited	104,747	37,000	-	-	141,747	9,897,860	9,801,805	(96,055)	1.94	1.61	0.0146%	
Habib Bank Limited - 6.1.1	147,518	50,000	-	-	197,518	23,996,968	21,598,393	(2,398,575)	4.27	3.54	0.0165%	
Yue Bank Of Punjab	182,656	-	-	93,000	275,656	10,175,306	9,591,493	(583,813)	1.75	1.67	0.0082%	
Yue Bank Of Punjab	60,825	-	-	12,999	73,824	2,935,504	2,656,619	(278,885)	1.40	1.19	0.0086%	
Yue Bank Of Punjab	64,825	159,800	-	-	224,625	7,112,083	8,373,271	1,261,188	1.44	1.19	0.0098%	
Meezan Bank Limited	96,660	33,900	5,379	76,100	59,839	25,087,224	24,488,212	(599,012)	1.66	1.37	0.0094%	
United Bank Limited	91,947	114,600	-	-	206,547	84,072,912	81,867,707	(2,205,205)	16.19	13.43	0.0927%	
Chemicals												
ICI Pakistan Limited	4,350	-	-	1,400	2,950	2,562,960	2,341,032	(221,928)	0.46	0.38	0.0100%	
Engro Polymer & Chemicals Limited	115,178	-	-	91,500	23,678	1,118,549	1,303,947	385,398	0.26	0.21	0.0213%	
Lotte Chemical Pakistan Limited	5,200	-	-	5,200	5,200	80,288	72,748	(7,540)	0.01	0.01	0.0021%	
Fertilizers												
Engro Corporation Limited - 6.1.1	35,371	14,600	-	-	49,971	14,448,634	13,979,387	(469,247)	2.76	2.29	0.0133%	
Fauji Fertilizer Bin Qasim Limited	259,981	46,000	-	125,000	180,981	4,793,986	4,072,073	(721,914)	0.81	0.67	0.0082%	
Fauji Fertilizer Company Limited	47,309	61,500	-	-	108,809	11,702,485	11,105,047	(597,438)	2.20	1.82	0.0137%	
Pharma & Bio Tech												
The Searle Company Limited - 6.1.2	17,704	25,200	-	7,500	35,404	7,818,429	7,134,260	(684,169)	1.41	1.17	0.0084%	
Ferozsons Laboratories Limited	20,900	14,300	-	9,100	26,100	9,580,013	9,518,670	(61,343)	1.88	1.56	0.0083%	
GloxxSmithkline Pakistan Limited	4,246	-	-	-	4,246	703,435	627,644	(75,791)	0.12	0.10	0.0136%	
Textile Composite												
Nishat Mills Limited	99,687	74,200	-	73,887	173,887	16,041,656	15,799,373	(242,283)	3.12	2.59	0.0361%	
Gul Ahmed Textile Mills Limited	166,000	191,000	-	283,300	283,300	14,750,212	15,527,673	777,461	3.07	2.55	0.0361%	
Interloop Limited	-	47,500	-	47,500	47,500	3,979,110	3,380,575	(598,535)	0.90	0.75	0.0233%	
Koinoor Textile Mills Limited	43,000	27,300	-	4,500	65,800	4,983,250	4,569,810	(413,440)	0.90	0.75	0.0233%	
Cement												
Kohat Cement Company Limited	5,400	5,500	-	10,900	10,900	2,344,296	1,874,146	(470,150)	0.37	0.31	0.0032%	
Lucky Cement Limited	22,863	9,900	-	17,660	15,103	15,017,797	10,917,939	(2,099,858)	2.16	1.79	0.0155%	
Meeple Leaf Cement Factory Limited	29,936	241,000	-	36,500	281,436	11,751,583	10,927,897	(823,686)	1.03	0.98	0.0104%	
Punjab Cement Limited	64,825	64,825	-	64,825	64,825	1,737,585	1,737,585	-	0.88	0.88	0.0094%	
D.C.E. Urban Cement Company Limited	152,206	96,500	-	248,706	248,706	5,648,688	4,464,273	(1,184,415)	0.88	0.73	0.0081%	
D.C.E. Urban Cement Company Limited	61,690	23,600	-	38,000	23,690	2,793,628	2,094,670	(698,958)	0.41	0.34	0.0124%	
Cherat Cement Company Limited	18,350	18,700	-	14,300	22,750	3,724,010	3,258,655	(465,355)	0.64	0.53	0.0211%	
Power Generation & Distribution												
Hub Power Company Limited	168,220	-	-	13,500	168,220	13,402,087	12,369,217	(1,032,870)	2.45	2.03	0.0155%	
Kor Addu Power Company	118,826	-	-	13,500	105,326	4,671,208	3,686,410	(984,798)	0.73	0.60	0.0063%	
Oil and Gas Exploration Companies												
Marri Petroleum Company Limited	8,256	-	-	40,281	8,256	12,585,364	12,824,623	239,259	2.54	2.10	0.0106%	
Oil & Gas Development Company Limited - 6.1.1	1,26,063	11,800	-	27,500	71,494	8,151,863	7,188,532	(963,332)	1.42	1.18	0.0035%	
Pakistan Oilfields Limited	59,694	-	-	27,500	108,721	28,130,779	26,835,273	(1,295,506)	5.31	4.40	0.0106%	
Pakistan Petroleum Limited	1,36,221	-	-	27,500	108,721	9,440,244	8,144,290	(1,295,954)	1.61	1.34	0.0031%	
Total												
						58,308,251	54,992,718	(3,315,533)	10.88	9.02	0.0272%	

Name of the Investee Company	Holding as at July 01, 2021	Purchased during the period	* Bonus shares / letter of right received during the period	Disposed during the period	Holding as at September 30, 2021	Number of Shares			Carrying value before revaluation as of 30 September 2021	Market value as of 30 September 2021 (after revaluation)	Unrealised gain / (loss) - net	Market value as percentage of total investments	Market value as percentage of net assets	% of holding in company
						Holding as at July 01, 2021	Purchased during the period	* Bonus shares / letter of right received during the period						
Oil and Gas Marketing Companies														
Pakistan State Oil Company Limited - 6.1.2	58,992	-	-	7,700	51,292			11,502,231	10,309,179	(1,193,052)	2.04	1.69	0.0076%	
Attock Petroleum Limited	5,100	-	-	5,100	-			11,502,231	10,309,179	(1,193,052)	2.04	1.69	0.0097%	
Automobile Assemblers														
Pak Suzuki Motor Company Limited	6,900	2,100	-	-	9,000			3,013,226	2,407,950	(605,276)	0.48	0.39	0.0097%	
Indus Motor Company Limited	7,030	-	-	5,400	1,630			2,044,248	1,904,036	(140,212)	0.38	0.31	0.0097%	
Milat Tractors Limited	5,563	-	-	-	5,563			6,005,870	5,970,212	(35,658)	1.18	0.98	0.0097%	
Honda Atlas Car Pakistan Limited	-	7,700	-	-	7,700			1,987,668	2,038,642	40,974	0.40	0.33	0.0097%	
								13,051,013	12,310,840	(740,173)	2	2	0	
Automobile Parts & Accessories														
Agriauto Industries Ltd (Face value of Rs. 5 each)	9,000	-	-	9,000	-			1,444,216	1,326,604	(117,613)	0.26	0.22	0.0431%	
Thal Limited	3,416	-	-	-	3,416			1,444,216	1,326,604	(117,613)	0	0	0.0431%	
Engineering														
International Steels Limited	116,848	13,790	-	18,100	112,538			10,516,572	8,576,521	(1,940,051)	1.70	1.41	0.0248%	
International Industries Limited	12,500	11,000	-	-	23,500			5,024,750	3,919,095	(1,105,655)	0.78	0.64	-	
Mughal Iron And Steel Industries Ltd	35,580	84,300	-	70,000	49,880			5,405,744	4,869,286	(536,458)	0.96	0.80	0.0543%	
Alpha Steel Industries Limited	41,000	-	-	-	41,000			1,382,950	1,127,090	(255,860)	0.22	0.18	0.0543%	
Alsha Steel Mills Limited	234,504	45,000	-	269,500	10,004			2,87,652	208,183	(89,469)	0.04	0.03	0.0460%	
								22,577,628	18,700,175	(3,877,454)	4	3	0	
Food & Personal Care Products														
Fauji Foods Limited	90,300	295,000	-	89,500	296,800			5,820,200	4,609,304	(1,210,896)	0.81	0.76	0.0038%	
Unity Foods Limited	8,937	131,600	-	-	140,537			4,32,666	1,072,300	(639,634)	0.29	0.82	0.0038%	
At-Tahur Limited	-	135,000	-	-	135,000			4,15,750	4,380	(4,15,370)	0.84	0.70	0.0130%	
								16,727,795	13,862,694	(2,865,101)	3	2	0	
Cable and Electronic Goods														
Pak Elektron Limited	90,000	-	-	62,000	28,000			981,680	771,400	(210,280)	0	0	0	
								981,680	771,400	(210,280)	0	0	0	
Transport														
Pakistan International Bulk Terminal Limited	19,215	-	-	-	19,215			218,667	171,206	(47,461)	0	0	0	
								218,667	171,206	(47,461)	0	0	0	
Technology and Communication														
Systems Limited	13,490	18,400	-	7,660	31,890			20,890,956	23,200,294	2,309,338	4.59	3.80	0.0106%	
TRG Pakistan Limited	60,600	86,000	-	-	138,940			22,754,655	22,462,430	(292,225)	4.44	3.68	0.0035%	
Air Link Communication Limited	-	65,753	-	-	65,753			4,701,340	4,738,819	37,480	0.94	0.78	0.0106%	
Avanceon Limited	-	153,100	-	-	153,100			19,161,170	18,886,416	(274,754)	3.73	3.10	0.0031%	
								67,508,120	69,287,589	1,779,839	13.70	11.36	0.0277%	
Refinery														
Pakistan Refinery Limited	85,000	3,000	-	62,500	22,500			553,725	377,550	(176,175)	0.07	0.06	0.0106%	
National Refinery Limited	12,300	-	-	10,700	4,600			1,821,104	1,393,156	(427,948)	0.28	0.23	0.0035%	
Byco Petroleum Pakistan Limited	307,000	-	-	183,000	124,000			1,439,640	1,014,320	(425,320)	0.20	0.17	0.0106%	
Attock Refinery Limited	16,100	-	-	15,141	959			1,519,936	1,422,510	(97,026)	0.28	0.23	0.0031%	
								5,334,405	4,207,936	(1,126,469)	0.83	0.69	0.0277%	
MISCELLANEOUS														
Pakistan Aluminium Beverage Cans Limited	-	57,985	-	15,000	42,985			2,106,265	1,686,731	(419,534)	0	0	0	
								2,106,265	1,686,731	(419,534)	0	0	0	
Glass and Ceramics														
Shabbir Tiles & Ceramics Limited	107,200	101,500	-	81,000	127,700			4,487,847	3,892,296	(595,551)	0.77	0.64	0.0803%	
								451,113,593	420,027,997	(30,887,057)	82	68	0	
Total as at 30 September 2020								443,208,487						
Total cost as at 30 September 2020								320,666,998	353,439,991	(32,772,993)	0.83	0.56	0.05	
Total as at 30 June 2021														



6.1.1 Following shares have been pledged with National Clearing Company of Pakistan Limited:

	September 30, 2021	June 30, 2021	September 30, 2021	June 30, 2021
	----- (Number of shares) -----		----- (Rupees) -----	
Engro Corporation Limited	20,000	20,000	6,020,600	5,892,200
Habib Bank Limited	50,000	50,000	6,537,000	6,118,500
Oil & Gas Development Company Limited	75,000	75,000	7,770,000	7,782,750
	145,000	145,000	20,327,600	19,793,450

6.1.2 Finance Act, 2014 had introduced tax on bonus shares issued by the companies. Most of the equity funds including the Fund have challenged the applicability of withholding tax provision on bonus shares before the Honourable High Court of Sindh ("the Court") on various legal grounds and have sought relief from the Court. In the Fund's case, tax in the shape of 79 shares in case of The Searl Company Limited and 814 shares in the case of Pakistan State Oils Limited have been withheld by CDC. Market value of these shares as at 30 September 2021 amounted to Rs. 19,167 and Rs. 182,450 respectively, and are included in the Fund's investments in these financial statements.

Above provision regarding the taxation of bonus shares have since been deleted vide the Finance Act, 2018.

**6.2 Term Finance Certificates
At fair value through profit or loss**

Name of Security	Date of Maturity	Mark-up rate	Holding as at 01 July 2021	Purchases during the period	Disposed / matured during the period	Holding as at 30 September 2021	Carrying value as of the year ended 30 Sep 2021	Market value as of the year ended 30 Sep 2021 (after revaluation)	Unrealised appreciation (diminishing)	Credit rating	Market value as % of total investments	Market value as % of net assets	Face value as % of size of the issue
Note	----- Number of certificates -----						----- (Rupees) -----						
Silk Bank Limited	6.2.1	10-Aug-25 6 months KIBOR + 1.85%	8,000	-	-	8,000	35,417,827	35,657,091	239,264	BBB+ (dated 01 Mar 2020)	7.05%	5.85%	2.00%
Bank Al-Habib Limited	6.2.2	6-Dec-28 6 months KIBOR + 1.00%	2,000	-	-	10,000	10,071,758	10,113,696	41,938	AA (dated 29 Jun 2020)	2.00%	1.66%	1.25%
NRSP-07Y-09072021-PPTFC			-	150	-	150	15,000,000	15,000,000	-		2.97%	2.46%	0.02%
							60,489,585	60,770,787	281,202		12.02%	9.97%	3.27%
							Total cost as at 30 September 2020	64,958,000					
							Total as at 30 June 2021	45,621,566	45,493,585	(127,981)			
							Total cost as at 30 June 2021	49,974,000					

6.2.1 This represents investments in Term Finance Certificates of Silk Bank Limited carrying an effective profit rate of 6 months Karachi Inter Bank Offered Rates (KIBOR) per annum plus 1.85% receivable semi-annually in arrears. The instrument is structured to redeem 0.14% of the issue amount during the first 7 years of issue while the remaining 99.86% in the last 2 equal semi annual instalments of 49.93% each from 10 February 2018 to 10 August 2025. These are secured by first pari passu charge on the bank's assets with 25% margin. Total face value of the individual investment is Rs. 5,000 (Rs. 40 million in total), whereas at the year end total face value of the principal amount was Rs. 39.99 million.

6.2.1.1 The Securities and Exchange Commission of Pakistan (SECP) its letter dated 05 October 2020 in response to the Management Company request for the relaxation towards rating had advised the company to endeavor to regularize the non compliance as soon as possible.



Name of Non Compliant Investment	Non-Compliance	Type of Instrument	Value of investment before Provision	Total Provision held	Value of investment after Provision	% of Net Assets	% of gross assets
Silk Bank Ltd- PPTFC - 08 years (Face value of Rs. 5,000 each)	Rating is below investment grade as prescribed in clause No. 2.4 of the offering document	Term finance certificates	35,657,091	-	35,657,091	5.85%	5.68%

At the time of purchase, this term finance certificate was in compliance with the aforementioned circular. However, subsequently it was downgraded to BBB+ from A-. SECP vide its letter dated 5 October 2020 in response to management company's request for relaxation, had advised the company to endeavour to regularize the non compliance as soon as possible.

6.2.2 This represents investments in Term Finance Certificates of Bank Al-Habib Limited carrying an effective profit rate of 6 months Karachi Inter Bank Offered Rates (KIBOR) per annum plus 1.00% receivable semi-annually in arrears. The instrument is structured to redeem 0.36% of the issue amount during the first 9 years of issue while the remaining 99.64% in the last 2 equal semi annual instalments of 49.82% each from 06 June 2019 to 06 December 2028. These are secured by first pari passu charge on the bank's assets with 25% margin. Total face value of the individual investment is Rs. 5,000 (Rs. 50 million in total).

6.2.3 Government securities - at fair value through profit or loss

Name of Security	Date of Maturity	Mark-up rate	Holding as at 01 July 2021	Purchases during the year	Disposed / matured during the year	Holding as at 30 September 2021	Carrying value as of the year ended 30 September 2021 before revaluation	Market value as of the year ended 30 September 2021	Unrealised appreciation / (diminution)	Market value as % of total investments (based on market value)	Market value as % of net assets (based on market value)	
Note	Number			(Rupees)								
10 years Pakistan Investment Bond	6.4.1	31-May-28	13.20%	250,000	-	-	250,000	24,800,000	24,880,000	80,000	4.92%	4.08%
Total as at 30 September 2021							24,800,000	24,880,000	80,000	4.92%	4.08%	
Total cost as at 30 September 2021							25,000,000					
Total as at 30 June 2021							24,887,500	24,800,000	(87,500)			
Total cost as at 30 June 2021							25,000,000					

6.2.4 This represents investments in 10 years Pakistan Investment Bond carrying an effective profit rate of 13.20% and having maturity on 31 May 2028. The face value of Pakistan Investment Bond as at 30 September 2020 amounted to Rs. 25 million.

7 PAYABLE TO THE MANAGEMENT COMPANY

	Note	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
		(Rupees)	
Remuneration payable to the Management Company	7.1	608,405	700,146
Sales tax payable on remuneration to the Management Company	7.2	335,722	345,169
Federal excise duty payable on remuneration to the Management Company	7.3	1,686,556	1,686,556
Sales load payable		2,480	2,480
		<u>2,633,163</u>	<u>2,734,352</u>

7.1 The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, of an amount not exceeding 2% per annum of the average annual net assets of the Fund. However, the Management Company is currently charging a fee at 10% of the gross earnings of the scheme for the quarter ended 30 September 2021. The fee is subject to a minimum of 1% and maximum of 2% of the average annual net assets of the Fund. Currently the effective rate of Management Company remuneration for the period end 30 September 2021 is 1.20% of average net assets. Remuneration is paid to the Management company in arrears on a monthly basis.



7.2 The Sindh Provincial Government has levied Sindh Sales Tax (SST) at the rate of 13% (30 June 2020: 13%) on the remuneration of management company through Sindh Sales Tax on Services Act, 2011.

7.3 As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company has been applied effective from 13 June 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on 4 September 2013.

While disposing the above petition through order dated 16 July 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from 01 July 2016. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

Furthermore, the Finance Act 2016 also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provisional sales tax.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period up to 30 June 2016 aggregating to Rs. 1.686 million. Had the provision not been made, NAV per unit of the Fund as at 30 September 2021 would have been higher by Re. 0.28 (30 June 2021: Re. 0.27) per unit.

	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
Note	(Rupees)	
8 ACCRUED EXPENSES AND OTHER LIABILITIES		
Provision for Sindh workers' welfare fund	8.1	6,776,542
Brokerage charges payable		864,482
Fee payable to National Clearing Company of Pakistan		104,806
Auditors' remuneration	45,620	402,019
Fee payable to Central Depository Company	518,630	86,612
Other liabilities	107,404	1,659,742
Dividend Payable	161,111	-
Mutual Fund rating fee	-	-
Professional Fee Payable	128,357	-
	<u>961,122</u>	<u>9,894,203</u>

8.1 Workers' Welfare Fund

The Government of Sindh also introduced levy of the Sindh Workers' Welfare Fund (SWWF) through the Sindh Workers' Welfare Act, 2014. The Mutual Fund Association of Pakistan, in the previous years based on opinion obtained from the tax consultants, concluded that SWWF is not applicable on mutual funds. MUFAP also wrote to the Sindh Revenue Board (SRB) that mutual funds are not establishments and are pass through vehicles; therefore, they do not have any worker and, as a result, no SWWF is payable by them. SRB responded back that as mutual funds are included in the definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001, thus SWWF is payable by them. MUFAP had taken up the matter with the concerned ministry [Sindh Finance Ministry] for appropriate resolution of the matter.

However, subsequent to the current year end, SRB through its letter dated 12 August 2021 (received on 13 August 2021) to the Mutual Funds Association of Pakistan (MUFAP) has clarified that Asset Management Company's (AMCs) are covered under the term "financial institutions" as per the Sindh WWF Act 2014 and are therefore subject to SWWF charge whereas as the Mutual Funds/Pension Funds managed by those AMCs do not qualify as "financial institutions" as per SWWF Act 2014.

In wake of the aforesaid clarification of SRB, the MUFAP called its Extraordinary General Meeting (EOGM) on 13 August 2021, wherein the MUFAP recommended to its members that effective from 13 August 2021, SWWF recognised earlier should be reversed in light of the clarification issued by SRB.

In these financial statements the Fund has recognised provision for SWWF amounting to Rs. 6.776 million upto 30 June 2021 which were reversed subsequently as on August 13, 2021. Had the provision not being made, the net asset value per unit as at 30 September 2021 would have been higher by Nil (2021: Rs.1.12) per unit.

9 TOTAL EXPENSE RATIO

Securities and Exchange Commission of Pakistan (SECP) vide its Directive No. SCD/PRDD/Direction/18/2016 dated 20 July 2016, required that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the quarter ended September 30, 2021 is 2.88% (Sep 30, 2020: 3.31%) which includes 0.34% (Sep 30, 2020: 1.17%) representing government levies (comprising of Workers Welfare Fund and SECP fee, etc.). As per NBFC Regulation the total expense ratio of the Asset Allocation Scheme shall be capped up to 4.5% (excluding government levies).

10 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at September 30, 2021.

11 TAXATION

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

12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include Lakson Investments Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the trustee, Habib Bank AG Zurich Switzerland being the Custodian, Siza Services (Private) Limited being holding company of the Management Company, associated companies of the Management Company and the holding company, key management personnel, other funds being managed by the Management Company and entities having holding 10% or more in the units of the Fund as at 30 September 2020. It also includes staff retirement funds of the above related parties / connected persons.



Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively. Other transactions are in normal course of business, at contracted rates and terms determined in accordance with the market rates.

Transactions and balances with related parties other than those disclosed elsewhere are as follows:

	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
	(Rupees)	
12.1 Details of balance with related parties / connected persons at the year end		
Lakson Investments Limited - Management Company		
Remuneration payable (including the Sindh Sales Tax and Federal Excise Duty)	<u>2,630,683</u>	<u>2,386,702</u>
Sales load payable	<u>2,480</u>	<u>2,480</u>
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable (including Sindh Sales Tax)	<u>218,182</u>	<u>221,016</u>
Settlement charges payable	<u>107,404</u>	<u>86,612</u>
Security deposit	<u>100,000</u>	<u>100,000</u>
Habib Bank AG Zurich - Custodian		
Bank deposits	<u>790,112</u>	<u>729,215</u>
12.2 Details of transaction with related parties / connected persons at the year end		
	September 30, 2021	September 30, 2020
	(Unaudited) (Rupees)	
Lakson Investments Limited - Management Company of the Fund		
Remuneration for the year	<u>1,980,072</u>	<u>1,991,215</u>
Sindh sales tax on remuneration of Management Company	<u>257,409</u>	<u>258,858</u>
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Remuneration for the year (including Sindh Sales Tax)	<u>358,760</u>	<u>316,786</u>
CDS charges for the year	<u>20,792</u>	<u>20,114</u>

	Number of Units				Rupees			
	Number of Units as at July 01, 2021	Units issued during the period	Units redeemed during the period	Number of units as at September 30, 2021	Balance as at July 01, 2021	Units issued during the period	Units redeemed during the period	Balance as at September 30, 2021
Directors, Chief Executive and their spouse and minors	121,645	-	-	121,645	12,619,574	-	-	12,309,635
Other key management personnel	16,475	-	-	16,475	1,709,133	-	-	1,667,156
Lakson Investments Limited - Management Company	1,636,986	-	-	1,636,986	169,822,565	-	-	165,651,688
Associated companies / undertakings of the Management Company								
Accuray Surgical Limited Employees Contributory Provident Fund	47,091	-	-	47,091	4,885,313	-	-	4,765,329
Century Insurance Co. Ltd., GF	45,482	-	-	45,482	4,718,353	-	-	4,602,470
Century Insurance Company Limited	444,538	-	-	444,538	46,116,829	-	-	44,984,190
Century Insurance Company Limited Employees Contributory Provident Fund Trust	52,447	-	-	52,447	5,440,931	-	-	5,307,301
Century Paper & Board Mills Limited ECPF Trust	630,848	-	-	630,848	65,444,768	-	-	63,837,431
Century Paper & Board Mills Limited EGF	552,119	-	-	552,119	57,277,328	-	-	55,870,585
Colgate Palmolive Pakistan Limited ECPF	655,030	-	-	655,030	67,953,484	-	-	66,284,533
Colgate Palmolive Pakistan Limited EGF	726,561	-	-	726,561	75,374,146	-	-	73,522,941
Cyber Internet Services (Pvt.) Ltd. Empl. CPFT	280,801	-	-	280,801	29,130,603	-	-	28,415,150
Gam Corporation Private Limited Employees Contributory Provident Fund	194,588	-	-	194,588	20,186,763	-	-	19,690,972
Hasnaini Karabhai Foundation ECPF Trust	8,879	-	-	8,879	921,097	-	-	898,475
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	5,651	-	-	5,651	586,192	-	-	571,795
Lakson Investments Limited ECPF Trust	33,096	-	-	33,096	3,433,362	-	-	3,349,037
Merit Packaging Limited Employees Contributory Provident Fund Trust	62,912	2,927	-	59,984	6,526,504	300,000	-	6,069,978
Merit Packaging Limited Employees Gratuity Fund	37,113	-	-	37,113	3,850,129	-	-	3,755,569
Siza Foods Private Limited Employees Contributory Provident Fund Trust	164,050	-	-	164,050	17,018,670	-	-	16,600,688
Siza Services Private Limited Employees Countrywide Provident Fund Trust	31,669	-	-	31,669	3,285,334	-	-	3,204,646
Sybrid (Private) Limited ECPF Trust	59,212	-	-	59,212	6,142,758	-	-	5,991,890

	Number of Units				Rupees			
	Number of Units as at July 01, 2020	Units issued during the period	Units redeemed during the period	Number of units as at September 30, 2020	Balance as at July 01, 2020	Units issued during the period	Units redeemed during the period	Balance as at September 30, 2020
Directors, Chief Executive and their spouse and minors	122,389	-	5,424	116,965	10,706,322	-	500,000	11,836,053
Other key management personnel	15,838	-	-	15,838	1,385,474	-	-	1,602,697
Lakson Investments Limited - Management Company	1,572,891	-	-	1,572,891	137,593,034	-	-	159,165,705
Associated companies / undertakings of the Management Company								
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	5,467	-	-	5,467	478,262	-	-	553,247
Princeton Travels (Private) Limited Employees Contributory Provident Fund Trust	-	-	-	-	-	-	-	-
Lakson Investments Limited Employees Contributory Provident Fund Trust	2,997	-	-	2,997	262,155	-	-	303,257
Century Insurance Company Limited Employees Contributory Provident Fund Trust	48,071	-	-	48,071	4,205,178	-	-	4,864,492
GAM Corporation (Private) Limited Employees Contributory Provident Fund Trust	143,147	-	-	143,147	12,522,152	-	-	14,485,451
SIZA Foods (Private) Limited Employees Contributory Provident Fund Trust	102,715	-	-	102,715	8,985,314	-	-	10,394,087
Hasanali Karabhai Foundation Employees Contributory Provident Fund Trust	19,099	-	-	19,099	1,670,748	-	-	1,932,698
Colgate Palmolive (Pakistan) Limited Employees Contributory Provident Fund Trust	604,981	-	-	604,981	52,922,399	-	-	61,219,894
Colgate Palmolive (Pakistan) Limited Employees Gratuity Fund	513,464	-	-	513,464	44,916,741	-	-	51,959,060
SPA Services (Private) Limited Employees Contributory Provident Fund Trust	27,134	-	-	27,134	2,373,630	-	-	2,745,783
Cyber Internet Services (Private) Limited Employees Contributory Provident Fund Trust	243,569	-	-	243,569	21,306,921	-	-	24,647,549
Merit Packaging Limited Employees Contributory Provident Fund Trust	93,667	-	-	93,667	8,193,749	-	-	9,478,414
Merit Packaging Limited Employees Gratuity Fund	39,234	-	-	39,234	3,432,142	-	-	3,970,254
Century Paper & Board Mills Limited Employees Contributory Provident Fund Trust	601,988	-	-	601,988	52,660,592	-	-	60,917,038
Century Paper & Board Mills Limited Employees Gratuity Fund	501,874	-	-	501,874	43,902,821	-	-	50,786,171
Century Insurance Company Limited	614,359	-	-	614,359	53,742,748	-	-	62,168,862
Premier Fashions (Private) Limited	111,176	-	100,891	10,285	9,725,401	-	10,000,000	1,040,749
Siza Commodities (Private) Limited	-	-	-	-	-	-	-	-
Sybird (Private) Limited Employees Contributory Provident Fund Trust	55,584	-	-	55,584	4,862,385	-	-	5,624,739
Century Insurance Company Limited Gratuity Fund	40,704	-	-	40,704	3,560,714	-	-	4,118,985
Siza Private Limited	-	-	-	-	-	-	-	-
Accurate Surgical Limited - Employees Contributory Provident Fund Trust	56,453	-	-	56,453	4,938,391	-	-	5,712,662

13 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end 'date. The quoted market prices used for financial assets held by the Fund is current bid price.

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

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets including their levels in the fair value hierarchy.

Investments of the Fund are categorised as follows:

	(Un-Audited)			
	As at 30 September 2021			
	Fair Value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Financial assets measured at fair value				
Term finance certificates	-	60,770,787	-	60,770,787
Sukuk certificates	-	-	-	-
Government Securities	-	24,880,000	-	24,880,000
Listed equity securities	420,027,997	-	-	420,027,997
	<u>420,027,997</u>	<u>85,650,787</u>	-	<u>505,678,784</u>



(Audited)
As at 30 June 2021

	Fair Value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Financial assets measured at fair value				
Term finance certificates	-	45,493,585	-	45,493,585
Sukuk certificates	-		-	-
Government Securities		24,800,000	-	24,800,000
Listed equity securities	353,439,991	-	-	353,439,991
	<u>353,439,991</u>	<u>70,293,585</u>	<u>-</u>	<u>423,733,576</u>

14 GENERAL

Figures have been rounded off to the nearest rupee.

15 DATE OF AUTHORIZATION OF ISSUE

This condensed interim financial information was authorised for issue on October 26, 2021 by the Board of Directors of the Management Company.

For Lakson Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



A Lakson Group Company

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