

# LAKSON ISLAMIC MONEY MARKET FUND

## Half Yearly Report (December 31, 2023)



**LAKSON INVESTMENTS**

WE MANAGE YOUR MONEY, AS WE MANAGE OUR OWN



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## **Fund's Information**

**Management Company**

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Sarwar Shaheed Road,  
Karachi-74200, Pakistan.  
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**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

**Chief Financial Officer**

Mr. Junaid Arshad

**Company Secretary  
of the Management Company**

Ms. Nobia Shams

**Audit Committee**

Mr. Amin Mohammed Lakhani  
Mr. Iqbal Ali Lakhani  
Mr. Jamil Ahmed Mughal

**Human Resource and  
Remuneration Committee**

Mr. Iqbal Ali Lakhani - Chairman  
Mr. Babar 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**

BDO Ebrahim & Co.  
Chartered Accountants  
2nd Floor, Block C,  
Lakson Square, Building No. 1,  
Sarwar Shaheed Road,  
Karachi - 74200.

**Bankers to the Fund**

AlBaraka Bank Pakistan Limited  
Bank Islami Pakistan Limited  
Dubai Islamic Bank Limited  
Habib Metropolitan Islamic Bank Limited  
Habib Bank AG Zurich



**Legal Adviser**

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

**Shariah Advisor**

Al Hilal Shariah Advisors

**Registrar**

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

**Distributor**

Rabia Fida  
BMA Capital Management

**Rating**

AA(f): Fund Stability Rating by PACRA  
AM2+ : Asset Manager Rating by PACRA

## **Review Report of the Directors of the Management Company for the half year ended December 31, 2023**

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Islamic Money Market Fund ("LIMMF") is pleased to submit its review report together with Condensed Interim Financial Information for the period ended December 31, 2023.

### **Fund Objective**

The objective of the fund is to provide stable and competitive returns with low volatility that are in line with the money markets and consistent with capital preservation. Accordingly, the fund consists of a liquid portfolio of low risk, short-term investments.

### **Principal activities**

The Fund is an open-end Shariah compliant money market fund and is listed on Pakistan Stock Exchange Limited. The Fund invests in Shariah compliant Government Securities, Shariah compliant placements, Term Deposit Receipts, and other Islamic short-term debt instruments. The weighted average maturity of the portfolio is kept below 3 months. LIMMF invests in only those securities that have been assigned at least an "AA" rating by a rating agency in Pakistan and are of less than 6 months maturity. An in-depth credit analysis is conducted before taking any exposure to any counter party to mitigate the credit risk. Short maturity of the portfolio protects the Unit Holders against interest rate movements while enhancing the liquidity of the Fund.

### **Fund performance**

The LIMMF generated return of 20.94% in 2QFY24 compared to Benchmark (Three (3) Months Average Deposit Rates of Three (3) AA Rated Scheduled Islamic Banking Windows of Conventional Banks are Selected by Mutual Fund Association of Pakistan) return of 8.95%. The LIMMF outperformed the benchmark by 11.99%. Asset allocation was concentrated mainly in cash at 86.5%, Sukuk at 5.6% and others as 7.9%. The weighted average maturity (WAM) of the LIMMF portfolio stands at 12 days and fund size as of December 31, 2023 is PKR 2,044mln.

### **Earning per Unit (EPU)**

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

### **Income Distribution**

The Chief Executive Officer under the authority from Board of Directors of the Management Company during the period declared the interim payouts of PKR 9.9078 per unit (9.9078%) face value of PKR 100/- amounting to PKR 131.07 million distributions in cash during the period ended December 31, 2023

### **Economic Review**

Post IMF and Pakistan staff-level agreement in June for the provision of USD 3bn in bailout funds under a stand-by arrangement (SBA) for nine months, This development helped Pakistan to unlocked funding from bilateral and multilateral sources helping in rebuilding FX reserves. As of Dec'23 end, SBP reserves reached to USD8.2bn versus less than USD4bn earlier. This has averted the risk of near term default as reflected by the stunning recovery of Pakistan International Eurobonds. The government took several actions, including increasing fuel and energy prices, implementing tax policies, securing commitments from friendly nations, and making adjustments to the PKR and interest rate.

Elevated food prices, coupled with multiple FX devaluations, budgetary measures, and hikes in petroleum product prices and electricity tariffs, have markedly heightened inflationary pressures, resulting in an average headline figure of 28.8% in 1HFY24. We foresee a deceleration in CPI starting from Feb'24 due to high base-effect with the exception of any potential increase in gas and electricity tariffs. We expect an avg. inflation of 24.82% for FY24.



In 5MFY24, there was a 16% YoY decline in imports, totaling to USD21.6bn, while exports remained flat YoY to USD12.1bn. This resulted in a 33% YoY decline in trade deficit, which reached to USD9.4bn.

Resultantly, country current account balance is USD1.1bn deficit (down 64% YoY). This reflects the implementation of administrative controls aimed at limiting the import bill along with the weak economic demand. On fiscal front, FBR tax collection was above target PKR98bn to PKR4,466bn. The tax collection is expected to improve in coming months due to ease in imports restrictions

#### **Fixed Income Market Review**

During semi-annual 2024 several GOP Ijarah Sukuk auctions were held for 1Y, 3Y and 5Y tenor in both variable and fixed rate rentals. Total amount accepted during the year in FRR was PKR 503mn against the target of PKR 1.19bn & VRR was PKR 734mn against the target of PKR 680bn

#### **Future Outlook**

The market took the postponement of the IMF board meeting into January in its stride, convinced that the disbursement of the US\$700mn tranche should be a formality. This sentiment is backed by the World Bank and the ADB together approving new loans of c US\$1.5bn, which have helped Fx reserves rebounding quickly to c US\$7.5bn at present (still less than 2m import cover). Discipline is sustaining, with the SBP keeping the policy rate unchanged at 22% for the 4th straight MPC meeting, while the current account registered a surplus in November without visible import restrictions. Despite the World Bank's apprehensions that vested interests could roll back ongoing reforms after elections, we believe economic discipline has a good chance of sustaining, with the default scare six months ago still fresh in the mind of authorities. We expect monetary easing from March onwards, when inflation turns the corner more decisively. The PKR should be stable in the near-term but will likely need to see FDI narrowing the remaining funding gap (estimated at US\$3-4bn) to ensure it continues to hold up. In this regard, Aramco has bought a 40% stake in Gas & Oil Pakistan Ltd but other, larger, transactions involving state-owned entities are still awaited (e.g. Reko Diq).

The KSE100 has gained 60% FYTD in US\$, but is still some way off its mean valuations let alone the peaks. Forward P/E for our coverage universe is estimated at 3.7x vs. the long-term average of 7.5x, while the KSE100's market capitalization of US\$33.3bn continues to look small compared to a high of US\$100bn in 2017. If Pakistan is able to manage its top-down risks, Pakistan equities have the potential to deliver a multiyear bull run.

#### **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**

**Chief Executive Officer**

**Director**

**Dated: February 27, 2024**



## لیکسن اسلامک منی مارکیٹ فنڈ 31 دسمبر 2023ء کو ختم ہونے والی مدت کے لیے مینجمنٹ کمپنی کے ڈائریکٹرز کی جائزہ رپورٹ

لیکسن اسلامک منی مارکیٹ فنڈ ("LIMMF") کی مینجمنٹ کمپنی، لیکسن انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز کیلئے 31 دسمبر 2023ء کو ختم ہونے والی مدت کے لیے اپنی جائزہ رپورٹ مع مختصر عبوری مالیاتی معلومات پیش کرنا باعث مسرت ہے۔

### فنڈ کا مقصد

اس فنڈ کا مقصد کم اتار چڑھاؤ کے ساتھ مستحکم اور مسابقتی منافع جات فراہم کرنا ہے جو منی مارکیٹس سے ہم آہنگ اور سرمائے کے تحفظ سے مطابقت رکھتے ہوں۔ اسی طرح یہ فنڈ کم خطرات کی حامل مختصر مدتی سرمایہ کاری کے لیکویڈ پورٹ فولیو پر مشتمل ہے۔

### نمایاں سرگرمیاں

فنڈ ایک اوپن اینڈ شریعہ سے مطابقت رکھنے والا منی مارکیٹ فنڈ ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں لسٹڈ ہے۔ فنڈ شریعہ سے مطابقت رکھنے والی گورنمنٹ سیکیورٹیز، شریعہ کے مطابق Placements، ٹرم ڈپازٹ ریسیٹس اور دیگر اسلامک مختصر مدتی انسٹرومنٹس میں سرمایہ کاری کرتا ہے۔ پورٹ فولیو کی تخمینہ شدہ اوسط میچورٹی 3 ماہ سے کم رکھی جاتی ہے۔ LIMMF صرف ان سیکیورٹیز میں سرمایہ کاری کرتا ہے جنہیں پاکستان میں کسی ریٹنگ ایجنسی نے کم از کم "AA" ریٹنگ دے رکھی ہو اور جن کی میچورٹی 6 ماہ سے کم ہو۔ کریڈٹ رسک کم کرنے کے لیے سرمایہ کاری سے پہلے مقابل پارٹی کا کریڈٹ کے حوالے سے باریک بینی سے تجزیہ کیا جاتا ہے۔ پورٹ فولیو کی مختصر میچورٹی یونٹ ہولڈرز کو شرح سود کے اتار چڑھاؤ کے خلاف تحفظ دیتی ہے، جب کہ فنڈ کی لیکویڈیٹی میں اضافہ کرتی ہے۔

### فنڈ کی کارکردگی

LIMMF نے بیچ مارک منافع (میوچل فنڈ ایسوسی ایشن آف پاکستان کے منتخب کردہ روایتی مینکوں کی تین AA ریٹڈ شیڈولڈ اسلامک بینکنگ ونڈوز کا تین ماہ کا اوسط ڈپازٹ ریٹ) 8.95% کے مقابلے میں مالی سال 2024 کی دوسری سہ ماہی میں 20.94% منافع کمایا۔ LIMMF نے بیچ مارک کے مقابلے میں 11.99% بہتر کارکردگی کا مظاہرہ کیا۔ اثاثوں کی تفویض کیش میں 86.5%، ہسٹوک میں 5.6% اور دیگر میں 7.9% رہی۔ LIMMF پورٹ فولیو کی تخمینہ شدہ اوسط میچورٹی (WAM) 12 دن ہے اور 31 دسمبر 2023ء کے مطابق فنڈ کا حجم 2,044 ملین روپے ہے۔



### فی یونٹ آمدنی (EPU)

فی یونٹ آمدنی (EPU) ظاہر نہیں کی گئی، کیوں کہ ہم محسوس کرتے ہیں کہ EPU شمار کرنے کے لیے موزوں اوسط یونٹس کا تعین اوپن اینڈ فنڈز کے لیے قابل عمل نہیں ہے۔

### آمدنی کی تقسیم

چیف ایگزیکٹو آفیسر نے منجھٹ کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے دیئے گئے اختیار کے تحت 31 دسمبر 2023 کو ختم ہونے والی مدت کے لیے فی یونٹ 9.9078 روپے (100 روپے کی فیس ویلیو کا 9.9078%) کی عبوری نقد ادائیگی کا اعلان کیا ہے، جس کی مالیت 131.07 ملین روپے بنتی ہے۔

### معاشی جائزہ

جون میں آئی ایم ایف اور پاکستان کے درمیان 9 ماہ کے لیے اسٹینڈ بائی آرٹنچمنٹ (SBA) کے تحت ہیل آؤٹ فنڈز میں 3 ارب ڈالر کی فراہمی کے معاہدے کی صورت میں پیش رفت سے پاکستان کو دو طرفہ اور کثیرالاجہتی ذرائع سے فنڈنگ حاصل کرنے میں مدد ملی جس سے زرمبادلہ کے ذخائر کی بحالی میں بھی مدد ملی۔ دسمبر 2023 کے اختتام تک اسٹیٹ بینک کے ذخائر 8 ارب 20 کروڑ ڈالر تک پہنچ گئے جو پہلے 4 ارب ڈالر سے بھی کم تھے۔ اس سے مستقبل قریب میں ڈیفالٹ کا خطرہ ٹل گیا ہے جیسا کہ پاکستان انٹرنیشنل یورو بانڈز کی حیرت انگیز بحالی سے ظاہر ہوتا ہے۔ حکومت نے ایندھن اور توانائی کی قیمتوں میں اضافہ، ٹیکس پالیسیوں پر عمل درآمد، دوست ممالک سے وعدوں کی تعمیل کرانے اور پاکستانی روپے اور شرح سود میں ایڈجسٹمنٹ سمیت متعدد اقدامات کیے۔

اشیائے خورد و نوش کی قیمتوں میں اضافے کے ساتھ ساتھ شرح مبادلہ میں متعدد بار کمی، بجٹ اقدامات اور پیٹرولیم مصنوعات کی قیمتوں اور بجلی کے نرخوں میں اضافے نے افراط زر کے دباؤ میں واضح طور پر اضافہ کیا ہے، جس کے نتیجے میں 2024 کی پہلی ششماہی میں اوسط ہیڈ لائن افراط زر کی شرح 28.8 فیصد رہی۔ ہم توقع کرتے ہیں کہ گیس اور بجلی کے نرخوں میں کسی بھی ممکنہ اضافے کے استثنیٰ کے ساتھ وسیع بنیادی اثرات کی وجہ سے فروری 2024 سے CPI میں کمی آئے گی۔ ہمیں مالی سال 2024 کے لئے 24.82 فیصد اوسط افراط زر کی توقع ہے۔

مالی سال 2024 کے 5 ماہ کے دوران درآمدات میں سال بہ سال 16 فیصد کمی واقع ہوئی جو مجموعی طور پر 21.6 ارب ڈالر رہی جبکہ برآمدات سال بہ سال بنیادوں پر بدستور 12.1 ارب ڈالر رہیں۔ اس کے نتیجے میں تجارتی خسارہ سال بہ سال 33 فیصد کم ہوا جو 9.4 ارب ڈالر تک پہنچ گیا۔ یوں ملک کا کرنٹ اکاؤنٹ بیلنس منفی 1.1 ملین امریکی ڈالر (سال بہ سال 64 فیصد کم) ہے۔ یہ کمزور معاشی طلب کے ساتھ ساتھ درآمدی بل کو محدود کرنے کے مقصد سے انتظامی پابندیوں کے نفاذ کی عکاسی کرتا ہے۔



مالی محاذ پر ایف بی آر کی ٹیکس وصولی، ہدف سے 98 بلین روپے بڑھ کر 466 بلین روپے رہی۔ درآمدی پابندیوں میں نرمی کی وجہ سے آنے والے مہینوں میں ٹیکس وصولی میں مزید بہتری کی توقع ہے۔

### فلسفہ انکم مارکیٹ کا جائزہ

مالی سال 2024 کی پہلی ششماہی کے دوران GoP اجارہ صکوک کی کئی نیلامیاں 1 سال، 3 سال اور 5 سال کی میعاد کے لئے ہوئیں، جن میں فلسفہ ریٹ اور ویری ہیل ریٹ دونوں ریٹنڈو شامل ہیں۔ سال کے دوران فلسفہ ریٹ ریٹنڈو میں قبول شدہ کل رقم 1.19 بلین روپے کے ہدف کے مقابلے میں 503 بلین روپے جبکہ ویری ہیل ریٹ ریٹنڈو میں 680 بلین روپے کے ہدف کے مقابلے میں 734 بلین روپے تھے۔

### مستقبل کا منظر نامہ

مارکیٹ نے آئی ایم ایف بورڈ اجلاس کے جنوری میں ملٹی ہوئے کو پرسکون انداز میں لیا، اس یقین کے ساتھ کہ 700 بلین امریکی ڈالر کی قسط جاری ہونا محض ایک رسمی کارروائی ہے۔ اس تاثر کو عالمی بینک اور ایشیائی ترقیاتی بینک کی جانب سے 1.5 بلین امریکی ڈالر کے نئے قرضوں کی منظوری سے تقویت ملی، جس سے فی الحال زر مبادلہ کے ذخائر تیزی سے بڑھ کر 7.5 بلین امریکی ڈالر تک پہنچ گئے ہیں (اب بھی امپورٹ کور سے 2 بلین ڈالر کم)۔ اسٹیٹ بینک کی جانب سے مانیٹری پالیسی کمیٹی (MPC) کے مسلسل چوتھے اجلاس میں پالیسی ریٹ کو 22 فیصد پر برقرار رکھنے کے ساتھ مالیاتی نظم و ضبط برقرار ہے جبکہ کرنٹ اکاؤنٹ نے نومبر میں درآمدات پر واضح پابندیوں کے بغیر سرپلس ریکارڈ کیا۔ عالمی بینک کے ان خدشات کے باوجود کہ انتخابات کے بعد جاری اصلاحات کو مفاد پرست عناصر واپس لے سکتے ہیں، ہم سمجھتے ہیں کہ معاشی نظم و ضبط برقرار رہنے کے اچھے امکانات ہیں، کیونکہ چھ ماہ قبل والا ڈیفالٹ کا خوف حکام کے ذہن میں اب بھی تازہ ہے۔ ہم مارچ کے بعد سے مالیاتی نرمی کی توقع کرتے ہیں، جب افراط زر میں مزید نمایاں کمی آئے گی۔ پاکستانی روپے کو مستقبل قریب میں مستحکم ہونا چاہئے لیکن ممکنہ طور پر براہ راست بیرونی سرمایہ کاری (FDI) سے فنڈنگ کے باقی ماندہ فرق (تخمینہ 3 تا 4 ارب امریکی ڈالر) کو کم کرنے کی ضرورت ہوگی تاکہ اس استحکام کو برقرار رکھا جاسکے۔ اس سلسلے میں آرا مکونے گیس اینڈ آئل پاکستان لمیٹڈ میں 40 فیصد حصص خریدے ہیں لیکن سرکاری اداروں سے متعلق دیگر بڑی ٹرانزیکشنز (مثلاً ریکوڈک) کا ابھی انتظار ہے۔

کے ایس ای 100 انڈیکس میں امریکی ڈالر میں FYTD بنیادوں پر 60 فیصد اضافہ ہوا ہے لیکن یہ اب بھی اپنی بالائی سطح تو کجا، اوسط قیمتوں تک بھی نہیں پہنچا۔ ہماری کوریج یونیورس کے لئے فارورڈ P/E کا تخمینہ 3.7x بمقابلہ طویل مدتی اوسط 7.5x ہے، جبکہ کے ایس ای 100 کی مارکیٹ کپچلر ٹریشن 33.3 بلین امریکی ڈالر ہے جو 2017 میں 100 بلین امریکی ڈالر کی بلند ترین سطح کے مقابلے میں بدستور کم دکھائی دے رہی ہے۔ اگر پاکستان تمام تر خطرات سے نمٹنے میں کامیاب ہو جاتا ہے تو پاکستانی مارکیٹ میں کئی سالوں پر محیط تیزی



کا دور شروع ہو سکتا ہے۔

اظہار تشکر

بورڈ اپنے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، فنڈ کے ٹرسٹی سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کا ان کے مسلسل تعاون اور مدد پر شکریہ ادا کرتا ہے۔ مینجمنٹ کمپنی کے ڈائریکٹرز فنڈ کی ترقی اور دانشمندانہ انتظام و انصرام کے لیے مینجمنٹ کمپنی کی ٹیم کی کاوشوں کا بھی اعتراف کرتے ہیں۔

برائے و منجانب بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 27 فروری 2024ء

**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office:**

CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shahra-e-Faisal  
Karachi - 74400, Pakistan.  
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**TRUSTEE REPORT TO THE UNIT HOLDERS**

**LAKSON ISLAMIC MONEY MARKET FUND**

**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We, Central Depository Company of Pakistan Limited, being the Trustee of Lakson Islamic Money Market Fund (the Fund) are of the opinion that Lakson Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2023 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

  
**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 22, 2024





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Pakistan

**INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS**

**Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of LAKSON ISLAMIC MONEY MARKET FUND ("the Fund") as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim statement of cash flows and a summary of significant accounting policies and other explanatory notes to the condensed interim financial information for the half year then ended (here-in-after referred to as "condensed interim financial information"). Lakson Investments Limited (the "Management Company") is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

**Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2023 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

KARACHI

DATED: February 27, 2024

UDIN: RR202310067WD2806d9e

CHARTERED ACCOUNTANTS

Engagement Partner: Zulfikar Ali Causer

**BDO Ebrahim & Co. Chartered Accountants**

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

**LAKSON ISLAMIC MONEY MARKET FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2023**

		<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>(Rupees)</b>	
<b>ASSETS</b>			
Bank balances	5	1,879,864,966	3,818,352,037
Investments	6	121,288,278	151,508,767
Deferred formation cost	7	1,139,825	1,292,913
Accrued mark-up, prepayments and other receivable		48,980,421	46,388,863
Security deposit		100,000	100,000
<b>TOTAL ASSETS</b>		<b>2,051,373,490</b>	<b>4,017,642,580</b>
<b>LIABILITIES</b>			
Payable to the Management Company	8	2,360,522	2,787,511
Payable to the Trustee		129,361	206,820
Annual fee payable to the Securities and Exchange Commission of Pakistan		156,104	300,015
Payable against redemption of units		-	-
Accrued expenses and other liabilities	9	4,704,822	26,204,664
<b>TOTAL LIABILITIES</b>		<b>7,350,809</b>	<b>29,499,010</b>
<b>NET ASSETS</b>		<b>2,044,022,681</b>	<b>3,988,143,570</b>
<b>REPRESENTED BY:</b>			
<b>UNIT HOLDERS' FUND (as per statement of movement in unit holders' fund)</b>		<b>2,044,022,681</b>	<b>3,988,143,570</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	10		
		<b>(Number of units)</b>	
<b>Number of units in issue</b>		<b>20,205,438</b>	<b>39,534,034</b>
		<b>(Rupees)</b>	
<b>Net assets value per unit</b>		<b>101.1621</b>	<b>100.8788</b>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

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

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**

**LAKSON ISLAMIC MONEY MARKET FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

		Half Year Ended		Quarter Ended	
		December 31,		December 31,	
		2023	2022	2023	2022
Note		(Rupees)		(Rupees)	
<b>INCOME</b>					
Markup on:					
- Bank balances		239,414,596	31,446,585	106,423,203	31,291,564
- Government and other debt securities		16,923,621	-	288,279	-
		256,338,217	31,446,585	106,711,482	31,291,564
Realized (loss) / gain on sale of investments		(62,400)	-	-	-
<b>Total Income</b>		256,275,817	31,446,585	106,711,482	31,291,564
<b>EXPENSES</b>					
Remuneration to the Management Company	8.1	3,156,528	77,845	1,128,170	77,845
Sindh Sales tax on remuneration to the Management Company	8.2	410,353	10,120	146,665	10,120
Remuneration to the Trustee		690,952	116,096	289,784	115,464
Sindh Sales tax on remuneration to the Trustee		89,823	15,093	37,672	15,011
Annual fee to the Securities and Exchange Commission of Pakistan		942,108	42,217	395,236	41,987
SECP supervisory fee		1,288	846	644	828
Auditors' remuneration		169,911	72,670	85,284	71,228
Shariah Advisory Fee		237,500	3,090	71,024	1,852
Legal and professional charges		120,424	1,640	62,836	1,640
Bank charges		6,138	2,260	2,579	2,260
Amortization of deferred formation cost		153,088	2,498	76,544	2,498
Fees and subscription		108,401	43,954	54,556	43,772
Printing and stationary charges		18,039	-	10,672	-
Brokerage Charges		47,147	-	0	-
<b>Total Expenses</b>		6,151,701	388,329	2,361,667	384,505
<b>Net operating income and net income before taxation</b>		250,124,116	31,058,256	104,349,815	30,907,059
Taxation	11	-	-	-	-
<b>Net income for the period</b>		250,124,116	31,058,256	104,349,815	30,907,059
<b>Allocation of Net Income for the period</b>					
Net income for the year after taxation		250,124,116	31,058,256	104,349,815	30,907,059
Income already paid on units redeemed		(115,118,476)	(15,147,508)	(6,743,260)	-
		135,005,640	15,910,748	97,606,555	30,907,059
<b>Accounting income available for distribution</b>					
Relating to capital gains		-	-	-	-
Excluding capital gains		135,005,640	15,910,748	97,606,555	30,907,059
<b>Accounting income available for distribution</b>		135,005,640	15,910,748	97,606,555	30,907,059

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

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

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**

**LAKSON ISLAMIC MONEY MARKET FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	<b>Half Year Ended</b>		<b>Quarter Ended</b>	
	<b>December 31,</b>		<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>(Rupees)</b>		<b>(Rupees)</b>	
Net income for the period	250,124,116	31,058,256	104,349,815	30,907,059
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>250,124,116</u>	<u>31,058,256</u>	<u>104,349,815</u>	<u>30,907,059</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

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

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**



**LAKSON ISLAMIC MONEY MARKET FUND**  
**CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	2023			2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)					
Net assets at beginning of the period	3,986,978,926	1,164,644	3,988,143,570	-	-	-
Issuance of 116,678,670 units (335,053,867 units)						
Capital value	11,770,404,213	-	11,770,404,213	3,498,993,812	-	3,498,993,812
Element of (loss)/ income	76,311,638	-	76,311,638	19,694,487	-	19,694,487
Total proceeds on issuance of units	11,846,715,851	-	11,846,715,851	3,518,688,300	-	3,518,688,300
Redemption of 136,253,711 units (2022: 19,237,181 units)						
Capital value	(13,745,110,852)	-	(13,745,110,852)	(1,923,718,127)	-	(1,923,718,127)
Element of (loss)/ income	(49,654,147.70)	(115,118,476)	(164,772,624)	(9,185,360)	(15,147,508)	(24,332,868)
Total payments on redemption of units	(13,794,765,000)	(115,118,476)	(13,909,883,476)	(1,932,903,487)	(15,147,508)	(1,948,050,995)
Total comprehensive income for the period	-	250,124,116	250,124,116	-	31,058,256	31,058,256
Distribution during the period	-	(131,077,380)	(131,077,380)	-	(2,786,073)	(2,786,073)
Net assets as at end of the period	2,038,929,777	5,092,903	2,044,022,681	1,585,784,813	13,124,675	1,598,909,488
Undistributed income brought forward:						
Realized income at the beginning of the period		1,164,644			-	
Unrealized income at the beginning of the period		-			-	
		1,164,644			-	
Accounting income available for distribution:						
Relating to capital gains		-			-	
Excluding capital gains		135,005,640			15,910,748	
		135,005,640			15,910,748	
Distribution during the period		(131,077,380)			(2,786,073)	
Undistributed income at end of the period		5,092,903			13,124,675	
Undistributed income carried forward						
- Realized income		5,092,903			13,124,675	
- Unrealized income		-			-	
Undistributed income at end of the period		5,092,903			13,124,675	
Net assets value per unit at beginning of the period		100.8788			-	
Net assets value per unit at end of the period		101.1621			101.0900	

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

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

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**

**LAKSON ISLAMIC MONEY MARKET FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<b>Half Year Ended</b>	
	<b>2023</b>	<b>2022</b>
	<b>(Rupees)</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net operating income and net income before taxation	250,124,116	31,058,256
Decrease / (Increase) in assets		
Investments - net	30,220,489	(100,000,000)
Deferred Formation Cost	153,088	(100,000)
Accrued mark-up and other receivable	(2,591,558)	(17,560,039)
Security Deposit	-	(1,519,802)
	27,782,019	(119,179,841)
Increase/ (Decrease) in liabilities		
Payable to the Management Company	(426,989)	1,740,265
Payable to the Trustee	(77,459)	69,573
Annual fee to the Securities and		
Exchange Commission of Pakistan	(143,911)	42,217
Accrued expenses and other liabilities	(21,499,842)	2,223,669
	(22,148,201)	4,075,724
Net cash flows/(used in) operating activities	255,757,934	(84,045,862)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Cash received from issue of units	11,846,715,851	3,518,688,300
Cash paid on redemption of units	(13,909,883,476)	(1,948,050,995)
Cash dividend paid	(131,077,380)	(2,786,073)
Net cash (used in)/ flow from financing activities	(2,194,245,005)	1,567,851,232
Net (decrease) in cash and cash equivalent during the period	(1,938,487,071)	1,483,805,370
Cash and cash equivalent at the beginning of the period	3,818,352,037	-
Cash and cash equivalent at the end of the period	1,879,864,966	1,483,805,370

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

**For Lakson Investments Limited**  
**Management Company**

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**

**LAKSON ISLAMIC MONEY MARKET FUND  
NOTES TO THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

The Lakson Islamic Money Market Fund (the "Fund") was established under the Trust Deed executed on 29 September 2022 between the Lakson Investments Limited as its Management Company, a company incorporated under the repealed Companies ordinance 1984 (now Companies Act, 2017) and the Central Depository Company of Pakistan Limited (CDC) as its Trustee, also incorporated under the repealed Companies ordinance 1984 (now Companies Act, 2017). The Fund has been registered as a Notified Entity on 11 April 2022 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).

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 (NBFC Rules). 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.

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

The Fund is categorised as "Shariah Compliant Islamic Money Market Scheme" as per the Circular 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP) and is authorised to invest in Shariah compliant investments within the limits prescribed in the offering document so as to ensure a riba-free return on investments. All investments of the Fund are as per the guidelines of the Shariah principles provided by the Shariah Advisor of the Fund and comprise of the investments permissible as 'Authorised Investments' under the Trust Deed.

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.

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 August 25, 2023 and has also maintained the fund stability rating AA(f) dated September 08, 2023.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These 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 (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; 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), directives issued by the SECP and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed differ from the requirements of the IAS 34, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations the directives issued by the SECP and the requirements of the Trust Deed have been followed..

- 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 2023. 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 December 31, 2023.

## **2.4 Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention, except for investments that are stated at fair values. This Condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

## **2.5 Functional and presentation currency**

These condensed interim financial information are presented in Pakistan rupee, which is the Fund's functional and presentation currency. All amount have been rounded off to the nearest of rupees, unless otherwise indicated.

## **2.6 Significant judgement 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, 2023.

### 3 SUMMARY OF 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, 2023.

### 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, 2023.

		<b>December 31, 2023 (Unaudited) (Rupees)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>		
<b>5 BANK BALANCES</b>			
Local currency:			
In profit and loss sharing accounts	5.1	<u>1,879,864,966</u>	<u>3,818,352,037</u>
		<u>1,879,864,966</u>	<u>3,818,352,037</u>

5.1 These carry mark-up rates ranging from 7% to 20.5% (June 30, 2023: 7% to 18.5%) per annum.

### 6 INVESTMENTS

At Amortised Cost

Clean placement

-Bai Mujjal Placements

- Short Term Sukuk

6.1	-	-
6.2	<u>121,288,278</u>	<u>151,508,767</u>
	<u>121,288,278</u>	<u>151,508,767</u>

6.1 Bai Muajjal Placements

Name of investee company	Issue date	Maturity date	Profit rate	Total Transaction Amount	Total deferred income	Accrued profit for the period	Carrying amount as at December 31, 2023	Market value as at December 31, 2023	Market value as a percentage of	
									Total investments of the Fund	Net assets of the Fund
			%						----- Rupees -----	
				----- % -----						
Pak Oman Investment Company Limited	July 11, 2023	August 10, 2023	21.25%	332,983,443	-	5,815,807	-	-	-	
Pak Oman Investment Company Limited	August 11, 2023	September 14, 2023	21.20%	344,889,337	-	6,810,856	-	-	-	
Total as at December 31, 2023				-	-	-	-	-	-	

6.2 Short Term Sukuks

Name of the security	Profit payments	Profit rate	Maturity date	Opening as at July 01, 2023	Purchased during the period	Sold / matured during the period	As at December 31, 2023	Carrying amount as at December 31, 2023	Markey value as at December 31, 2023	Market value as a percentage of	
										total investments of the Fund	net assets of the Fund
				----- Number of certificates -----					----- (Rupees) -----		----- % -----
Lucky Electric Power Co. Limited Sukuks 7 (A1+, PACRA) Face value of Rs 1,40000,000 each	Semi-annually	6 months KIBOR plus base rate of 0.65%	August 15, 2023 (6 months maturity)	-	140	140	-	-	-	-	-
Lucky Electric Power Co. Limited Sukuks 71(A1+, PACRA) Face value of Rs 121,000,000 each	Semi-annually	6 months KIBOR plus base rate of 0.30%	28-jun-2024 (6 months maturity)	-	121	-	121	121,000,000	121,000,000	100.00%	5.92%
Total as at December 31, 2023								121,000,000	121,000,000	100.00%	5.92%

6.2.1 During the period Lucky Electric Power Co. Ltd Sukuk 7 has matured and earned an income at the profit rate of 22.72%.

6.2.2 During the period short term sukuk placed with Lucky Electric Power Co. Ltd Sukuk at the profit rate of 21.74 %

December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
(Rupees)	

## 7 DEFERRED FORMATION COST

Formation cost incurred at beginning of year	1,292,913	1,522,300
Amortised to the income statement during the year	(153,088)	(229,387)
Unamortised cost at the end of the year	<u>1,139,825</u>	<u>1,292,913</u>

- 7.1 As per the offering document all preliminary and floatation expenses of the Fund including expenses incurred in connection with the establishment and authorization of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred for announcing the Fund and other expenses during and up to the Initial Offering Period (IOP) subject to a maximum of one per cent (1.5%) of the net assets at the close of the IPO, shall be borne and reimbursed by the Fund to the Management Company subject to the audit of expenses. Such Formation Cost shall be amortized over a period of not less than five years.

## 8 PAYABLE TO THE MANAGEMENT COMPANY

Remuneration payable to the Management Company	8.1	626,740	1,004,611
Sales tax payable on remuneration to the Management Company	8.2	81,482	130,600
Payable to Management Company on Formation Cost Payable		130,000	130,000
		<u>1,522,300</u>	<u>1,522,300</u>
		<u>2,360,522</u>	<u>2,787,511</u>

- 8.1 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 1% per annum of the average annual net assets of the Fund. The effective management fee rate for the period ended December 31, 2023 is 0.13%. Remuneration is paid to the Management company in arrears on a monthly basis.
- 8.2 The Sindh Provincial Government has levied Sindh Sales Tax (SST) at the rate of 13% on the remuneration of management company through Sindh Sales Tax on Services Act, 2011.

## 9 ACCRUED AND OTHER LIABILITIES

Auditors' remuneration	170,932	179,210
Shariah advisory fee	134,632	169,500
Legal and Professional fee	132,424	130,000
CGT payable	6,855	25,174,413
Brokerage payable	41,011	64,538
Dividend payable	42,329	-
Others	<u>4,176,639</u>	<u>486,993</u>
	<u>4,704,822</u>	<u>26,204,654</u>

## 10 CONTINGENCIES AND COMMITMENTS

There are no other contingencies and commitments as at December 31, 2023.

## 11 TAXATION

- 11.1 The Fund is exempt from taxation under Clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. 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 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.

## 12 DISTRIBUTIONS DURING THE PERIOD

December 31, 2023				
	Per unit rate	Declaration Date	Distribution of income	Refund of capital
First interim distribution	1.8243	Aug 03, 2023	11,351,551	3,049,905
Second interim distribution	1.8463	Sep 06, 2023	11,788,196	5,046,529
Third interim distribution	1.5641	Oct 05, 2023	13,576,148	7,526,042
Fourth interim distribution	3.0744	Nov-23	54,184,901	3,011,968
Fifth interim distribution	1.5987	Dec-23	40,176,584	803
			<u>131,077,380</u>	<u>18,635,248</u>

## 13 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 and the custodian, SIZA Services (Private) Limited being holding company of the Management Company, associated companies of the Management Company, key management personnel and other funds being managed by the Management Company, staff retirement benefits of related parties and other entities having more than 10% holding in the units of the Fund as at December 31, 2023.

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

	December 31, 2023 (Unaudited) (Rupees)	June 30, 2023 (Audited)
<b>13.1 Detail of balance with related parties / connected persons at the period end</b>		
<b>Lakson Investments Limited - Management Company</b>		
Remuneration payable		
Sindh Sales Tax payable on Management Company's remuneration*	626,740	1,004,611
Payable to Management Company on account of Security Deposit	81,482	130,600
Formation Cost Payable	130,000	130,000
	1,522,300	1,522,300
<b>Limited - Trustee</b>		
Remuneration payable	114,479	183,025
Sindh Sales Tax payable on Trustee remuneration*	14,882	23,794
Security Deposit	100,000	100,000

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

	December 31, 2023 (Unaudited) (Rupees)	2022
<b>13.2 Detail of transaction with related parties / connected persons during the period</b>		

**Lakson Investments Limited - Management Company of the Fund**

Remuneration to the Management Company	3,156,528	77,845
Sindh Sales Tax on Management Company's remuneration*	410,353	10,120

**Central Depository Company of Pakistan**

Remuneration for the period	690,952	116,096
Sindh Sales Tax on Trustee remuneration*	89,823	15,093
Settlement Charges	25,298	-

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

13.3 Details of transaction and balances with directors, key management personnel, employees, associated company/ undertaking of the Management Company and connected person are as follows:

	Half Year Ended December 31, 2023									
	Number of units as at 01 July 2023	Units issued during the year	Refund / Adjustment of units as element of income	Units redeemed during the year	Number of holdings at the end of the period	Balance as at 01 July 2023	Units issued during the year	Units redeemed during the year	Gross Dividend	Balance at the end of the period
	Number of units					(Rupees)				
Lakson Investments Limited - Management Company	653,523	2,703,023	44,885	2,684,335	717,096	65,926,616	277,462,653	275,574,113	2,221,813	72,542,955
Directors, Chief Executive and their spouse and minors	-	-	-	-	-	-	-	-	-	-
Key management personnel, employees and connected persons of the Management Company	3,353	216	-	3,569	-	338,257	21,855	360,710	25,712	-
<b>Associated companies / undertakings of the Management Company</b>										
Accuray Surgical Limited Employees Contributory Provident Fund	108,001	30,455	126	37,430	101,153	10,895,038	3,089,382	3,795,000	1,003,276	10,232,823
Century Insurance Co. Ltd., GF	147,636	112,853	36	60,807	199,717	14,893,344	11,404,037	6,150,000	1,579,037	20,203,832
Century Insurance Company Limited Employees Contributory Provident Fund Trust	30,179	191,987	1,773	44,252	179,687	3,044,428	19,571,862	4,475,000	925,763	18,177,481
Century Paper & Board Mills Limited ECPFT	-	1,726,680	17,027	713,001	1,030,706	-	176,129,131	72,100,000	6,696,894	104,268,395
Century Paper & Board Mills Limited EGF	1,261,640	980,634	1,284	329,863	1,913,695	127,272,715	99,185,970	33,355,000	15,160,970	193,593,406
Colgate Palmolive Pakistan Limited ECPFT	-	1,306,133	10,739	594,832	722,041	-	133,027,386	60,150,000	4,291,809	73,043,165
Colgate Palmolive Pakistan Limited EGF	1,063,459	1,593,225	7,161	382,738	2,281,107	107,280,419	161,623,369	38,700,000	16,588,369	230,761,527
Cyber Internet Services (Pvt.) Ltd. Empl. CPFT	-	1,032,911	9,070	425,413	616,567	-	105,256,447	43,015,000	3,386,040	62,373,241
Gam Corporation Private Limited Employees Contributory Provident Fund	-	-	-	-	-	-	-	-	-	-
Hasanali Karabhai Foundation ECPF Trust	12,683	54,988	488	46,543	21,615	1,279,413	5,622,942	4,761,840	51,394	2,186,644
Lakson Investments Limited ECPFT	105,878	27,275	131	1,237	132,047	10,680,825	2,768,231	125,000	1,143,231	13,358,129
Merit Packaging Limited Employees Contributory Provident Fund Trust	130,798	98,106	676	52,236	177,344	13,194,736	9,978,647	5,300,000	1,370,743	17,940,443
Merit Packaging Limited Employees Gratuity Fund	111,260	38,663	33	32,991	116,965	11,223,735	3,909,049	3,350,000	1,009,049	11,832,408
Siza Foods Private Limited Employees Contributory Provident Fund Trust	348,607	819,932	8,481	347,071	829,950	35,167,097	83,673,519	35,100,000	5,875,568	83,959,503
Siza Services Private Limited Employees Contributory Provident Fund Trust	-	115,838	1,197	17,793	99,242	-	11,822,490	1,800,000	383,015	10,039,501
Sybird (Private) Limited ECPFT	40,754	169,478	1,414	74,473	137,173	4,111,235	17,262,781	7,530,000	885,062	13,876,735
Century Window Takaful Operations (OPF) Account	268,804	1,111,794	18,462	1,104,107	294,952	27,116,606	114,124,550	113,347,765	913,865	29,838,005
<b>Holding more than 10% units</b>										
Fauji Fertilizer Company Limited	-	2,020,555	19,994	-	2,040,549	-	206,206,846	-	13,783,121	206,426,205
Dial Zero (Private)Limited	-	6,097,844	40,799	-	6,138,643	-	620,338,107	-	23,927,185	620,998,011

Half Year Ended December 31, 2022										
Number of units					Rupees					
Number of units as at July 01, 2022	Units issued during the period	Refund of capital	Units redeemed during the period	Number of units as at 31 December 2022	Balance as at July 01, 2022	Units issued during the period	Units redeemed during the period	Gross Dividend	Balance at the end of the period	
Lakson Investments Limited - Management Company	-	3,015,632	26,172	2,015,632	1,026,172	-	304,221,835	204,221,835	-	103,735,811
<b>Associated companies / undertakings of the Management Company</b>										
Accuray Surgical Limited Employees Contributory Provident Fund	-	39,324	341	26,284	13,381	-	3,967,053	2,663,053	-	1,352,715
Century Insurance Co. Ltd., GF	-	46,230	401	30,900	15,731	-	4,663,721	3,130,721	-	1,590,270
Century Insurance Company Limited Employees Contributory Provident Fund Trust	-	55,427	481	37,047	18,861	-	5,591,597	3,753,597	-	1,906,664
Century Paper & Board Mills Limited ECPFT	-	392,729	1,155	-	393,884	-	39,397,105	-	568,105	39,817,822
Century Paper & Board Mills Limited EGF	-	170,191	-	-	170,191	-	17,019,301	-	434,301	17,204,584
Colgate Palmolive Pakistan Limited ECPFT	-	566,475	2,200	-	568,675	-	56,883,737	-	618,737	57,487,418
Colgate Palmolive Pakistan Limited EGF	-	199,026	-	-	199,026	-	19,902,884	-	507,884	20,119,561
Cyber Internet Services (Pvt.) Ltd. Empl. CPFT	-	196,798	605	-	197,403	-	19,744,823	-	274,823	19,955,490
Gam Corporation Private Limited Employees Contributory Provident Fund	-	101,412	788	50,440	51,760	-	10,220,084	5,122,878	53,206	5,232,434
Hasanali Karabhai Foundation ECPF Trust	-	6,906	60	4,616	2,350	-	696,668	467,668	-	237,555
Lakson Investments Limited ECPFT	-	32,207	280	21,527	10,960	-	3,249,089	2,181,089	-	1,107,898
Merit Packaging Limited Employees Contributory Provident Fund Trust	-	65,168	566	43,558	22,176	-	6,574,234	4,413,234	-	2,241,731
Merit Packaging Limited Employees Gratuity Fund	-	34,197	297	22,857	11,637	-	3,449,876	2,315,876	-	1,176,364
Siza Foods Private Limited Employees Contributory Provident Fund Trust	-	140,348	1,218	93,808	47,758	-	14,158,484	9,504,484	-	4,827,865
Siza Services Private Limited Employees Contributory Provident Fund Trust	-	29,614	257	19,794	10,077	-	2,987,458	2,005,458	-	1,018,686
Sybird (Private) Limited ECPFT	-	55,739	484	37,256	18,967	-	5,623,699	3,774,699	-	1,917,383
Century Window Takaful Operations (OPF) Account	-	148,506	-	-	148,506	-	15,000,000	-	-	15,012,460
<b>Holding more than 10% units</b>										
Shakoo Private Limited	-	5,489,826	-	1,990,003	3,499,823	-	551,346,971	201,625,441	-	353,797,428
Bulk Management Pakistan Private Limited	-	15,004,936	-	9,953,483	5,051,453	-	1,507,035,765	1,008,478,346	-	510,651,881
Systems Limited	-	1,986,783	-	-	1,986,783	-	200,000,000	-	-	200,844,184

13.4 Remuneration payable to the Management Company and the Trustee has been determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively.

13.5 Purchase and redemption of the Fund's unit by related parties / connected persons are recorded at the applicable net asset value per unit. Dividend income is recorded at the rates and amount declared by the investee company. Other transactions are at agreed rates.

## **14 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 period ended December 31, 2023 is 0.49% which includes 0.12% representing government levies (comprising of SECP fee, SECP Supervisory fee etc.). As per NBFC Regulation the total expense ratio of the Islamic Money Market Scheme shall be capped up to 2%. (excluding the government levies).

## **15 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 Asset Management Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets 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 or indirectly (level 2); and

Unobservable inputs for the asset or liability (level 3).

As at December 31, 2023 there are no financial instruments under the fair value hierarchy which is routed through profit & loss statement.

**16        GENERAL**

16.1        The corresponding figures have been re-arranged wherever

16.2        Figures have been rounded off to the nearest Rupee, unless stated otherwise stated.

**17        DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial statements were authorized for issue by Board of Directors of the Management Company on February 27, 2024.

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

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**



A Lakson Group Company

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