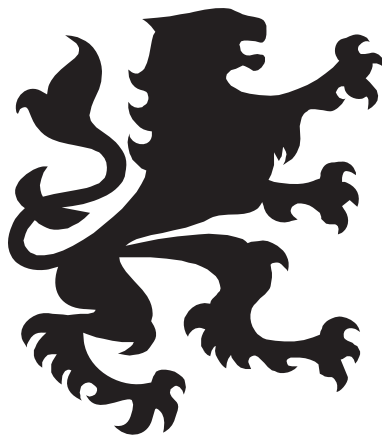


LAKSON TACTICAL FUND

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

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

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 Shahra-e-Faisal,
Karachi, Pakistan.

Auditors

Yousuf Adil Chartered Accountants
Cavish Court, A-35 Shahrah-e-Faisal,
K.C.H.S.U Block 7 & 8 Bangalore Town,
Karachi, Pakistan.

Fund's Information

Bankers to the Fund

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

Legal Adviser

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

Registrar

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

Distributor

BMA Capital Management Limited
Rabia Fida

Rating

2-Star (One Year)
1-Star (Three Years)
3-Star (Five Years)
Fund Performance Ranking
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 Tactical Fund ('LTF' or 'Fund') is pleased to submit its review report together with Condensed Interim Financial Information for the period ended December 31, 2023.

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 6.03% against the benchmark return of 27.83% in the 2QFY24. The fund underperformed the benchmark by -21.80%. As of December 31, 2023, LTF portfolio was invested 40.7% in Equities, 28.4% in Tbills, 5.4% in PIBs, 5.6% in TFCs/Sukuks and 22% in Cash. The fund size of LTF as of December 31, 2023 is PKR. 450.50 mln.

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.

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 1H FY24. 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

The semi-annual 2024 started with the State Bank maintaining the policy rate at 22%. The monetary policy committee cited that inflation is projected to remain on the downwards trajectory and real interest rates continues to remain in forward territory. By Dec end, cut-off yields for 3months, 6months and 12months reached to 21.4480%, 21.999% and 21.4300%, respectively. Similarly, PIB yield were



also adjusted downward as 3 year bond yield reached to 17.1999%, 5 year & 10 year bond was recorded at the cut off yield at 15.88% & 15%.

Equity Market Review

The KSE100 gained 42% in 1HFY24 but is still some way off its mean valuations let alone the peaks. Despite a sharp rally, KSE-100 index is still trading at an attractive forward P/E multiple of 4.7x vs. 5 & 10-year average of 6.0x & 7.2x, respectively. If Pakistan is able to manage its top-down risks, Pakistan equities have the potential to deliver a multiyear bull run. Supportive factors include significant room for valuation rerating, strong corporate profitability and immense space for institutional money (both domestic and foreign) to rotate into equities. However, traded value also increased by 88% to USD 44.1mn. while market cap rose by 39% to USD26,453mn. Moreover, foreign participation also witnessed of inflow of USD71mn against an outflow of USD2,252mn in last 7 years. Given that foreign institutions own less than 5% of the KSE100's market capitalization vs. the 2015 peak of 10%, there is evidently still some way to go.

Commodities Review

The oil price exhibited significant volatility throughout the 1HFY24 by 5%. Investors were grappling with a worsening economic outlook due to the US banking crisis and global recessionary concerns. Real estate, industrial and materials outperformed while energy, consumer staples and communication sectors lagged.

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 ٹیکٹیکل فنڈ

31 دسمبر 2023ء کو ختم ہونے والی مدت کے لیے

مینجمنٹ کمپنی کے ڈائریکٹرز کی جائزہ رپورٹ

لیکسن ٹیکٹیکل فنڈ ("LTF") 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

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

نمایاں سرگرمیاں

LTF ایک اوپن اینڈ لیسٹ ایلوکیشن اسکیم ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں لسٹڈ ہے۔ اس اسکیم کا انتظام و انصرام ایک ایکٹیو انویسٹمنٹ مینجمنٹ اسٹاک استعمال کرتے ہوئے کیا جاتا ہے جو بڑے اقتصادی عوامل کے تجزیے پر توجہ مرکوز رکھتا ہے مثلاً حکومتی پالیسیز، شرح سود، لیکویڈیٹی، شرح تبادلہ اور معاشی نمو۔ اسکیم ایکویٹی مارکیٹ کی مرکب آمدن کی پیشگی قیمت کی بنیاد پر ڈومیسٹک ڈیٹ سیکورٹیز اور ڈومیسٹک ایکویٹیز کے مابین سرمایہ کاری کا تبادلہ کرتی ہے۔ مختلف شعبوں اور حصص کیلئے لیسٹ ایلوکیشن آمدنی میں اضافے اور مینجمنٹ کوالٹی کی بنیاد پر کی جائے گی۔ فکسڈ انکم سیکورٹیز میں اسکیم کی سرمایہ کاری کا انتظام و انصرام دورانیہ اور yield curve مینجمنٹ کے ذریعے کیا جاتا ہے۔ فنڈ کموڈٹیز میں سرمایہ کاری کے لیے کموڈٹیز کو اپنے مینج مارک کے مطابق اوورویٹ یا انڈروویٹ کر سکتا ہے۔

فنڈ کی کارکردگی

لیکسن ٹیکٹیکل فنڈ نے مالی سال 2024 کی دوسری سہ ماہی میں 27.83% مینج مارک منافع کے مقابلے میں 6.03% مطلق منافع حاصل کیا۔ فنڈ نے مینج مارک کے مقابلے میں 21.80% کم تر کارکردگی کا مظاہرہ کیا۔ 31 دسمبر 2023ء کے مطابق LTF رپورٹ فوئو کی سرمایہ کاری کا تناسب ایکویٹیز میں 40.7%، T بلز میں 28.4%، PIBs، 5.4%، TFCs، 5.4%، سٹاکس میں 5.6% اور کیش میں 22% ہے۔ 31 دسمبر 2023ء کے مطابق فنڈ کا حجم 450.50 ملین روپے ہے۔



فی شیئر آمدنی (EPU)

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

معاشی جائزہ

جون میں آئی ایم ایف اور پاکستان کے درمیان 9 ماہ کے لیے اسٹینڈ بائی آرٹیمینٹ (SBA) کے تحت بیل آؤٹ فنڈز میں 3 ارب ڈالر کی فراہمی کے معاہدے کی صورت میں پیش رفت سے پاکستان کو دو طرفہ اور کثیرالجہتی ذرائع سے فنڈنگ حاصل کرنے میں مدد ملی جو زرمبادلہ کے ذخائر کی بحالی میں بھی معاون ثابت ہوئی۔ 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 پوروبانڈز 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 خوردنوش 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 بلین 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 4 ہزار 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 2024ء کی پہلی ششماہی کا آغاز اسٹیٹ بینک آف پاکستان کی جانب سے پالیسی ریٹ کو 22 فیصد پر برقرار رکھنے کے ساتھ



ہوا۔ مانیٹری پالیسی کمیٹی کے مطابق افراط زر میں کمی کا امکان ہے اور حقیقی شرح سود بدستور بالائی سطح پر برقرار رہے گی۔
دسمبر کے اختتام تک 3 ماہ، 6 ماہ اور 12 ماہ کے لیے منافع جات بالترتیب 21.4480 فیصد، 21.999 فیصد اور 21.4300 فیصد تک پہنچ گئے۔ اسی طرح PIB کے منافع جات میں بھی کمی واقع ہوئی، 3 سالہ بانڈ کا منافع 17.1999 فیصد تک پہنچ گیا جبکہ 5 اور 10 سالہ بانڈز کا منافع 15.88 فیصد اور 15 فیصد ریکارڈ کیا گیا۔

ایکویٹی مارکیٹ کا جائزہ

کے ایس ای 100 انڈیکس میں مالی سال 2024 کی پہلی ششماہی کے دوران 42 فیصد اضافہ ریکارڈ کیا گیا لیکن یہ اب بھی اپنی بالائی سطح تو کجا، اوسط قیمتوں تک بھی نہیں پہنچا۔ انتہائی تیزی کے باوجود کے ایس ای 100 انڈیکس اب بھی 5 اور 10 سال کی اوسط بالترتیب 6.0x اور 7.2x کے مقابلے میں 4.7x کی پرکشش فارورڈ P/E ملٹی پل پر ٹریڈ کر رہا 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۔ معاون عوامل میں ویلیو ایندیشن ری ریٹنگ کی وسیع گنجائش، مستحکم کارپوریٹ منافع اور ادارہ جاتی رقوم (ملکی اور غیر ملکی دونوں) کی ایکویٹیز میں گردش کے لئے بہت زیادہ گنجائش شامل ہیں۔ تاہم ٹریڈنگ ویلیو بھی 88 فیصد اضافے کے ساتھ 4 کروڑ 41 لاکھ ڈالر تک پہنچ گئی جبکہ مارکیٹ کیپ 39 فیصد اضافے کے ساتھ 26,453 ملین ڈالر تک جا پہنچی۔ اس کے علاوہ غیر ملکی سرمایہ کاری میں بھی 71 ملین ڈالر کی آمد دیکھی گئی جبکہ گزشتہ 7 سالوں میں 2,252 ملین امریکی ڈالر کی دیکھی گئی تھی۔ یہ دیکھتے ہوئے کہ غیر ملکی اداروں کے پاس کے ایس ای 100 کی مارکیٹ کیپچلائزیشن کا 5 فیصد سے بھی کم حصہ ہے جو 2015 میں 10 فیصد کی بلند ترین سطح پر تھا، واضح طور پر ابھی کافی راستہ طے کرنا باقی ہے۔

کموڈٹیز کا جائزہ

مالی سال 2024 کی پہلی ششماہی کے دوران خام تیل کی قیمتوں میں 5 فیصد تک نمایاں اتار چڑھاؤ دیکھا گیا۔ سرمایہ کاروں کو امریکا کے بینکاری بحران اور عالمی کساد بازاری کے خدشات کی وجہ سے بگڑتے ہوئے معاشی منظر نامے کا سامنا تھا۔ ریل اسٹیٹ، انڈسٹریل اور میٹیلز سیکٹرز نے بہتر کارکردگی کا مظاہرہ کیا جبکہ توانائی، کنزیومر اسٹاپلز (اشیائے ضروریہ) اور کمیونیکیشن سیکٹرز کی کارکردگی متاثر ہوئی۔

مستقبل کا منظر نامہ

مارکیٹ نے آئی ایم ایف بورڈ اجلاس کے جنوری میں ملتوی ہونے کو پرسکون انداز میں لیا، اس یقین کے ساتھ کہ 700 ملین 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 ملین امریکی ڈالر کے نئے قرضوں کی منظوری سے تقویت ملی، جس سے فی الحال زرمبادلہ کے ذخائر تیزی سے بڑھ کر 7.5 ملین امریکی ڈالر تک پہنچ گئے ہیں (اب



بھی امپورٹ کر سے 2 ملین 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 مکوں نے 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 تک، اوسط قیمتوں تک بھی نہیں پہنچا۔ ہماری کورنگیونیورس کے لئے فارورڈ P/E کا تخمینہ 3.7x، مقابلہ طویل مدتی اوسط 7.5x ہے، جبکہ کے ایس ای 100 کی مارکیٹ کپچلریشن 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 ڈیپازٹری 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 ڈائریکٹر 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 Shahr-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

**TRUSTEE REPORT TO THE UNIT HOLDERS****LAKSON TACTICAL 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 Tactical 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 23, 2024



 **YOUSUF ADIL**

Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
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Pakistan

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS' OF LAKSON TACTICAL FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Lakson Tactical 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 flow and notes to the condensed interim financial information for the six months period ended **December 31, 2023** (here-in-after referred to as the condensed interim financial information). **Lakson Investments Limited** (the Management Company) is responsible for the preparation and 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 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures of the condensed interim income statement and condensed interim statement of comprehensive income, for the quarter ended December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the six months' period ended December 31, 2023.

The engagement partner on the review resulting in this independent auditor's review report is Arif Nazeer.


Chartered Accountants

Place: Karachi
Date: February 28, 2024
UDIN: RR202310099Nfhm4g3kz

Independent Correspondent Firm to
Deloitte Touche Tohmatsu Limited

LAKSON TACTICAL FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2023

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- (Rupees) -----	
ASSETS			
Bank balances	5	99,325,629	25,366,159
Investments	6	361,112,938	285,911,895
Markup accrued and dividend receivable	7	4,271,863	1,922,762
Deposits, prepayments and other receivables	8	3,624,271	3,556,346
TOTAL ASSETS		468,334,701	316,757,162
LIABILITIES			
Payable to the Management Company	9	2,673,906	2,540,163
Payable to the Trustee		177,549	162,729
Payable to Securities and Exchange Commission of Pakistan		30,637	74,821
Accrued expenses and other liabilities	10	1,081,837	1,069,226
Payable against purchase of securities		11,907,796	1,350,515
TOTAL LIABILITIES		15,871,725	5,197,454
NET ASSETS		452,462,976	311,559,708
UNITHOLDERS' FUND (as per statement of movement in unit holders' fund)		452,462,976	311,559,708
CONTINGENCIES AND COMMITMENTS			
	12	(Number of units)	
Number of units in issue		4,153,877	3,415,229
		(Rupees)	
Net assets value per unit		108.9254	91.2265

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For Lakson Investments Limited
(Management Company)

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

LAKSON TACTICAL FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER DECEMBER 31, 2023

		Half Year Ended December 31,		Quarter ended December 31,	
		2023	2022	2023	2022
Note		----- (Rupees) -----			
INCOME					
Realized gain / (loss) on sale of investment at fair value through profit or loss - net		5,892,836	1,127,414	5,170,420	(3,080,582)
Unrealised appreciation / (diminution) on re-measurement of investments at fair value through profit or loss' - net		29,471,798	(15,582,321)	37,741,657	(1,854,943)
		35,364,634	(14,454,907)	42,912,077	(4,935,525)
Dividend income on investments held at fair value through profit or loss		8,955,571	11,496,060	3,672,036	3,486,274
Markup on:					
- Bank balances calculated using effective interest method		4,298,959	3,376,686	3,193,665	1,064,766
- Government and other debt securities using effective interest method		16,239,355	10,024,829	7,732,234	4,909,867
		20,538,314	13,401,515	10,925,899	5,974,633
Exchange (loss) / gain on foreign currency current account		(7,462)	80,154	(16,968)	(8,775)
		64,851,057	10,522,822	57,493,044	4,516,607
EXPENSES					
Remuneration of the Management Company	9.1	3,377,476	3,156,978	1,770,066	1,418,542
Sindh Sales tax on remuneration to the Management Company	9.2	439,072	410,407	230,108	184,410
Remuneration of the Trustee		383,103	505,696	200,018	205,856
Annual fee to the Securities and Exchange Commission of Pakistan		161,039	44,200	84,078	17,666
SECP supervisory fee		1,288	1,288	644	240,396
Auditors' remuneration		479,871	480,777	239,840	353,882
Fees and subscription		14,082	435,762	7,084	-
Legal and professional charges		241,556	151,994	125,672	103,682
Brokerage,custody,settlement and bank charges		495,318	848,851	271,504	644
Total expenses		5,592,805	6,035,953	2,929,014	2,525,078
Net income from operating activities		59,258,252	4,486,869	54,564,030	1,991,529
Net income for the period before taxation		59,258,252	4,486,869	54,564,030	1,991,529
Taxation	13	-	-	-	-
Net income for the period after taxation		59,258,252	4,486,869	54,564,030	1,991,529
Allocation of net income for the period after taxation					
Net income for the period after taxation		59,258,252	4,486,869	54,564,030	1,991,529
Income already paid on units redeemed		(60,752,954)	(2,530,038)	(60,750,138)	(2,232,379)
		(1,494,702)	1,956,831	(6,186,108)	(240,849)
Accounting income available for distribution					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		(1,494,702)	1,956,831	(6,186,108)	-
		(1,494,702)	1,956,831	(6,186,108)	-

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For Lakson Investments Limited
(Management Company)

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

LAKSON TACTICAL FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER DECEMBER 31, 2023

	Half Year Ended December 31,		Quarter ended December 31,	
	2023	2022	2023	2022
	----- (Rupees) -----			
Net income for the period after taxation	59,258,252	4,486,869	54,564,030	1,991,529
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>59,258,252</u>	<u>4,486,869</u>	<u>54,564,030</u>	<u>1,991,529</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For Lakson Investments Limited
(Management Company)

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

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

HALF YEAR ENDED DECEMBER 31,

	2023			2022		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	----- (Rupees) -----					
Net assets at beginning of the period	393,143,035	(81,583,329)	311,559,708	607,388,414	(84,261,652)	523,126,762
Issuance of 7,272,786 units (2022: Nil units)						
- Capital value	792,191,124	-	792,191,124	-	-	-
- Element of income / (loss)	(16,389,469)	-	(16,389,469)	-	-	-
Total proceeds on issuance of units	775,801,655	-	775,801,655	-	-	-
Redemption of 6,534,138 units (2022: 2,439,789 units)						
- Capital value	(711,733,595)	-	(711,733,595)	(222,450,633)	-	(222,450,633)
- Element of income / (loss)	78,329,911	(60,752,954)	17,576,956	1,738	(2,530,038)	(2,528,300)
Total payments on redemption of units	(633,403,685)	(60,752,954)	(694,156,639)	(222,448,895)	(2,530,038)	(224,978,933)
Total comprehensive income for the period	-	59,258,252	59,258,252	-	4,486,869	4,486,869
Net assets as at end of the period	535,541,005	(83,078,032)	452,462,976	384,939,519	(82,304,821)	302,634,698
Undistributed income brought forward:						
- Realized (loss)		(78,466,284)			(47,905,352)	
- Unrealized (loss) / income		(3,117,045)			(36,356,300)	
		(81,583,329)			(84,261,652)	
Accounting income available for distribution:						
Relating to capital gains	-			-		
Excluding capital gains	(1,494,702)			1,956,831		
	(1,494,702)			1,956,831		
Undistributed loss at end of the period		(83,078,032)			(82,304,821)	
Undistributed loss brought forward:						
- Realized (loss)		(112,549,830)			(66,722,500)	
- Unrealized (loss)		29,471,798			(15,582,321)	
Undistributed loss at end of the period		(83,078,032)			(82,304,821)	
Net assets value per unit at beginning of the period			91.2265			91.1762
Net assets value per unit at end of the period			108.9254			91.7702

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For Lakson Investments Limited
(Management Company)

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

LAKSON TACTICAL FUND
CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

		Half Year Ended	
		December 31,	
		2023	2022
		(Rupees)	
Note			
CASH FLOW FROM OPERATING ACTIVITIES			
	Net income / (loss) for the period before taxation	59,258,252	4,486,869
Adjustments for:			
	Unrealised (gain) / loss on re-measurement of investment at fair value through profit or loss - net	(29,471,798)	15,582,321
	Realised gain / (loss) on sale of investment at fair value through profit or loss - net	(5,892,836)	-
	Dividend income on investments held at fair value through profit or loss	(8,955,571)	(11,496,060)
	Markup on bank balances and investments	(20,538,314)	(13,401,515)
		(5,600,267)	(4,828,385)
(Increase) / decrease in assets			
	Investments - net	88,376,264	251,247,468
	Markup accrued and dividend receivable	27,144,784	25,602,351
	Advances, deposits, prepayments and other receivables	(67,925)	225,825
	Receivable against sale of securities	-	-
		115,453,123	277,075,644
Increase / (decrease) in liabilities			
	Remuneration payable to the Management Company	133,743	(78,887)
	Remuneration payable to the Trustee	14,820	(30,410)
	Annual fee payable to the Securities and Exchange Commission of Pakistan	(44,184)	(73,966)
	Payable against purchase of investments	10,557,281	(274,235)
	Accrued expenses and other liabilities	12,611	(162,932)
		10,674,271	(620,430)
	Net cash (outflow) / inflow from operating activities	120,527,127	271,626,829
CASH FLOW FROM FINANCING ACTIVITIES			
	Cash received from issue of units	775,801,655	-
	Cash paid on redemption of units	(694,156,639)	(224,978,933)
	Net cash used in financing activities	81,645,016	(224,978,933)
	Net increase / (decrease) in cash and cash equivalents during the period	202,172,143	46,647,896
	Cash and cash equivalent at the beginning of the period	25,366,159	65,836,538
	Cash and cash equivalent at the end of the period	227,538,302	112,484,434
Cash and cash equivalents			
	Bank balances	5 99,325,629	5,004,110
	Investments maturing within 3 months	6.3.2 128,212,673	107,480,324
		227,538,302	112,484,434

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For Lakson Investments Limited
Management Company

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

LAKSON TACTICAL FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** The Lakson Tactical Fund (the "Fund") was established under the Trust Deed executed on 30 May 2011 between Lakson Investments Limited as its Management Company and the Central Depository Company of Pakistan Limited (CDC) as its Trustee. The Fund has been registered as a Notified Entity on 7 July 2011 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).
- 1.2** 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.
- 1.3** The Board of Directors have approved that the Fund should be categorised as 'Asset Allocation Scheme' as per the categories defined by the Securities and Exchange Commission of Pakistan Circular 7 of 2009 dated March 06, 2009. The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The units of the Fund can be transferred to / from the Funds managed by the Management Company and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4** Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.
- 1.5** 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 25 August 2023 (2022: AM2+ as on 27 August 2022).

On November 30, 2023, VIS assigned following rankings to the Fund based on the performance review:

1 Year ranking: 2-Star
3 Year ranking : 1-Star
5 Year ranking: 3-Star

- 1.6** The Trust Act, 1882 was repealed due to promulgation of Provincial Trust Act "Sindh Trust Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. 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. Accordingly, on January 31, 2022 the above mentioned Trust Deed has been registered under the Sindh Trust Act.

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 VIIIA 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 VIIIA 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 VIIIA 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 31 December 2023 has been extracted from the audited financial statements of the Company for the year ended 30 June 2023, whereas the comparative profit and loss account, statement of comprehensive income, the cash flow statement and statement of changes in equity for the half year ended 31 December 2023 have been extracted from the unaudited condensed interim financial information for the half year ended 31 December, 2022.

- 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.
- 2.4 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.

2.5 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that investments are measured at fair value.

2.6 Functional And Presentation Currency

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

2.7 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, 2023.

3 MATERIAL ACCOUNTING POLICY INFORMATION

During the period, the Company adopted Disclosure of Accounting Policy (Amendments IAS 1) from January 01, 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves.

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.

		December 31, 2023 (Unaudited) ----- (Rupees) -----	June 30, 2023 (Audited)
	Note		
5 BANK BALANCES			
<i>In local currency</i>			
In profit and loss sharing accounts	5.1	98,371,993	24,371,600
In current account		8,503	8,503
<i>In foreign currency</i>			
In current account	5.2	945,133	986,056
		<u>99,325,629</u>	<u>25,366,159</u>

5.1 These carry mark-up rates ranging from 19.50% to 23.90% (June 30, 2022: 11.25% to 19.50%) per annum.

5.2 This represents USD denominated current account maintained in foreign country amounting to USD 3,102.92 (June 30, 2023: USD 3,331.27).

		December 31, 2023 (Unaudited) ----- (Rupees) -----	June 30, 2023 (Audited)
	Note		
6 INVESTMENTS			
At fair value through profit or loss			
Listed equity securities	6.1	183,308,334	108,794,654
Term finance certificates	6.2	25,114,730	41,010,919
Government securities			
- Pakistan investment bonds	6.3.1	24,492,500	23,820,000
- Market treasury bills	6.3.2	128,197,374	112,286,322
		<u>361,112,938</u>	<u>285,911,895</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

Sectors / Companies

Sectors / Companies			★								
	Holding as at 01 July 2023	Purchased during the period	Bonus shares / letter of right received during the period	Disposed during the period	Holding as at 31 December 2023	Carrying value before revaluation as at 31 December 2023	Market value as at 31 December 2023 (after revaluation)	Unrealised gain / (loss) - net	Market value as percentage of total investments	Market value as percentage of net assets	% of holding in investee company
	----- (Number of Shares) -----					----- (Rupees) -----			----- (%) -----		
Commercial Banks											
MCB Bank Limited	59,056	5,250	-	9,140	55,166	6,606,474	9,518,893	2,912,419	2.64%	2.10%	0.00%
Bank Alfalah Limited	200,510	-	-	10,000	190,510	5,799,124	9,241,640	3,442,516	2.56%	2.04%	0.00%
Meezan Bank Limited	22,015	21,113	-	-	43,128	4,800,906	6,959,134	2,158,228	1.93%	1.54%	0.00%
Bank Islami Pakistan Limited	156,600	-	-	156,600	-	-	-	-	0.00%	0.00%	0.00%
United Bank Limited	59,582	10,825	-	10,275	60,132	7,476,536	10,693,875	3,217,339	2.96%	2.36%	0.00%
Faysal Bank Limited	66,592	-	-	-	66,592	1,343,827	2,169,567	825,740	0.60%	0.48%	0.00%
						26,026,867	38,583,109	12,556,242	10.68%	8.53%	0.01%
Chemicals											
Lotte Chemical Pakistan Limited	-	57,125	-	-	57,125	1,528,339	1,541,804	13,465	0.43%	0.34%	0.00%
Lucky Core Industries Limited	-	3,070	-	-	3,070	2,374,376	2,390,302	15,926	0.66%	0.53%	0.00%
						3,902,715	3,932,106	29,391	1.09%	0.87%	0.01%
Fertilizers											
Engro Corporation Limited - 6.1.1	31,362	-	-	11,700	19,662	5,109,957	5,798,520	688,563	1.61%	1.28%	0.00%
Fauji Fertilizer Company Limited	72,088	-	-	22,925	49,163	4,839,606	5,564,760	725,154	1.54%	1.23%	0.00%
Fauji Fertilizer Bin Qasim Limited	-	145,000	-	72,135	72,865	1,010,170	2,324,394	1,314,224	0.64%	0.51%	0.01%
Engro Fertilizers Limited	52,542	9,700	-	8,898	53,344	4,680,952	5,986,797	1,305,845	1.66%	1.32%	0.00%
						15,640,685	19,674,471	4,033,786	5.45%	4.35%	0.01%
Pharma & Bio Tech											
The Searle Company Limited - 6.1.2	128	-	-	-	128	4,905	6,589	1,684	0.00%	0.00%	0.00%
Hightnoon Laboratories Limited	2,415	4,600	-	-	7,015	2,772,349	3,539,488	767,140	0.98%	0.78%	0.01%
AGP Limited	-	25,522	-	-	25,522	1,822,591	1,794,452	(28,139)	0.50%	0.40%	0.01%
						4,599,845	5,340,529	740,685	1.48%	1.18%	0.02%
Cement											
Kohat Cement Company Limited	-	7,200	-	-	7,200	1,338,296	1,686,456	348,160	0.47%	0.37%	0.00%
Lucky Cement Limited	14,786	1,200	-	4,010	11,976	6,280,169	9,424,872	3,144,703	2.61%	2.08%	0.00%
Maple Leaf Cement Factory Limited	-	152,317	-	19,150	133,167	4,374,859	5,182,860	808,001	1.44%	1.15%	0.00%
Pioneer Cement Limited	-	52,791	-	7,850	44,941	4,375,956	5,165,519	789,563	1.43%	1.14%	0.00%
Fauji Cement Company Limited	-	105,500	-	-	105,500	1,346,180	1,996,060	649,880	0.55%	0.44%	0.00%
D.G. Khan Cement Company Limited	-	49,000	-	25,990	23,010	1,261,954	1,780,974	519,020	0.49%	0.39%	0.00%
Cherat Cement Company Limited	-	33,840	-	3,910	29,930	4,058,625	4,877,991	819,366	1.35%	1.08%	0.00%
						23,036,039	30,114,732	7,078,693	8.34%	6.66%	0.00%
Power Generation & Distribution											
Engro Powergen Qadirpur Limited	-	107,500	-	-	107,500	2,884,715	3,431,400	546,685	0.95%	0.76%	0.03%
Hub Power Company Limited	76,600	18,742	-	21,685	73,657	5,867,312	8,624,498	2,757,186	2.39%	1.91%	0.00%
						8,752,027	12,055,898	3,303,871	3.34%	2.67%	0.03%

	Holding as at 01 July 2023	Purchased during the period	Bonus shares / letter of right received during the period	Disposed during the period	Holding as at 31 December 2023	Carrying value before revaluation as at 31 December 2023	Market value as at 31 December 2023 (after revaluation)	Unrealised gain / (loss) - net	Market value as percentage of total investments	Market value as percentage of net assets	% of holding in investee company
	----- (Number of Shares) -----					----- (Rupees) -----			----- (%) -----		
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited	5,968	500	-	1,496	4,972	7,812,812	10,421,809	2,608,997	2.89%	2.30%	0.00%
Oil & Gas Development Company Limited - 6.1.1	34,972	60,290	-	11,800	83,462	7,519,269	9,385,302	1,866,033	2.60%	2.07%	0.00%
Pakistan Oilfields Limited	31,466	-	-	10,140	21,326	8,568,147	8,998,292	430,145	2.49%	1.99%	0.00%
Pakistan Petroleum Limited	46,941	61,670	-	12,105	96,506	6,348,720	11,101,085	4,752,365	3.07%	2.45%	0.00%
						30,248,948	39,906,488	9,657,540	11.05%	8.82%	0.00%
Oil and Gas Marketing Companies											
Pakistan State Oil Company Limited - 6.1.2	14,624	3,250	-	8,100	9,774	1,109,306	1,727,164	617,858	0.48%	0.38%	0.00%
Sui Northern Gas Pipeline	152,010	28,410	-	49,950	130,470	5,254,851	9,592,154	4,337,303	2.66%	2.12%	0.00%
Attock Petroleum Limited	23,961	-	-	4,145	19,816	5,949,754	7,500,554	1,550,800	2.08%	1.66%	0.06%
						12,313,911	18,819,872	6,505,961	5.21%	4.16%	0.06%
Engineering											
Mughal Iron & Steel Industries Limited	-	29,837	-	-	29,837	2,084,285	1,974,613	(109,672)	0.55%	0.44%	0.59%
Agha Steel Industries Limited	-	135,760	-	-	135,760	2,053,808	1,931,865	(121,943)	0.53%	0.43%	0.00%
						4,138,093	3,906,478	(231,615)	1.08%	0.86%	0.59%
Food & Personal Care Products											
Fauji Foods Limited	-	251,750	-	86,255	165,495	1,017,327	1,843,614	826,287	0.51%	0.41%	0.01%
						1,017,327	1,843,614	826,287	0.51%	0.41%	0.01%
Automobile Assembler											
Millat Tractors Limited	-	4,439	-	-	4,439	2,685,627	2,580,258	(105,369)	0.71%	0.57%	0.00%
						2,685,627	2,580,258	(105,369)	0.71%	0.57%	0.00%
Technology and Communication											
Systems Limited	18,506	-	-	3,040	15,466	6,237,902	6,550,779	312,877	1.81%	1.45%	0.01%
						6,237,902	6,550,779	312,877	1.81%	1.45%	0.01%
Total as at December 31, 2023						138,599,985	183,308,334	44,708,350	50.76%	40.51%	0.74%
Total cost as at December 31, 2023						143,551,896					
Total as at June 30, 2023						110,152,055	108,794,654	(1,357,402)	38.05%	34.92%	13.70%

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

	December 2023	June 2023	December 2023	June 2023
	(Number of shares)		(Rupees)	
Engro Corporation Limited	15,000	20,000	4,401,750	5,197,800
Pakistan Petroleum Limited	20,000	-	2,220,800	-
Oil & Gas Development Company Limited	25,000	25,000	2,754,000	1,950,000
Engro Fertilizers Limited	10,000	10,000	1,101,100	825,300
Luckt Cement Limited	7,000	7,000	5,483,520	1,819,230
	77,000	62,000	15,961,170	9,792,330

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 Honorable 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 128 shares in case of The Searle 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 31 December 2023 amounted to Rs. 6,721 and Rs. 140,822 respectively, and is 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

Performing

Name of security	Note	Date of Maturity	Mark-up rate	Holding as at July 01, 2023	Purchases during the period	Disposed / matured during the period	Holding as at December 31, 2023	Carrying value as at December 31, 2023 before revaluation	Market value as at December 31, 2023 (after revaluation)	Unrealised gain / (loss)	Credit rating	Market value as a percentage of total investments	Market value as a percentage of net assets	Face value as percentage of size of the issue
				(Number of Certificates)			(Rupees)			(%)				
Bank Al-Habib Limited	6.2.1	Dec 06, 2028	6 months KIBOR + 1.00%	2,000	-	-	2,000	10,024,919	10,114,730	89,811	AAA (dated June 25, 2022)	2.80%	2.24%	0.25%
NRSP Microfinance Bank Limited	6.2.2	Jun 01, 2028	3 months KIBOR + 3.00%	150	-	-	150	15,000,000	15,000,000	-	A- (dated October 08, 2022)	4.15%	3.32%	1.95%
Total as at December 31, 2023								25,024,919	25,114,730	89,811		6.95%	5.55%	2.20%
Total as at June 30, 2023								25,421,384	25,026,919	(394,465)				

Name of security	Note	Date of Maturity	Mark-up rate	Holding as at July 01, 2023	Purchases during the period	Disposed / matured during the period	Holding as at December 31, 2023	Carrying value as at December 31, 2023 before revaluation	Impairment as at December 31, 2023	Market value as at December 31, 2023 (after revaluation)	Credit rating	Market value as a percentage of total investments	Market value as a percentage of net assets	Face value as percentage of size of the issue
				(Number of Certificates)			(Rupees)			(%)				
Silk Bank Limited	6.2.3	Aug 10, 2025	6 months KIBOR + 1.85%	8,000	-	-	8,000	31,967,200	31,967,200	-	Not rated	-	-	-
Total as at December 31, 2023								31,967,200	31,967,200	-		0.00%	0.00%	0.00%
Total as at June 30, 2023								31,967,200	(15,983,200)	15,984,000				

- 6.2.1** This represents investments in Term Finance Certificates of Bank Al-Habib Limited. 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 June 06, 2019 to December 06, 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. 2,000 (Rs. 9.99 million in total).
- 6.2.2** This represents investments in Term Finance Certificates of NRSP Microfinance Bank Limited. The instrument is structured to redeem 100% of the issue amount in the last 4 equal quarterly instalments of 25.00% each from September 01, 2027 to June 01, 2028. These term finance certificates are unsecured. Total face value of the individual investment is Rs. 100,000 (Rs. 15 million in total).
- 6.2.3** This represents unlisted term finance certificates issued by Silk Bank Limited. Total size of the issue is Rs. 2,000 million and the term of the TFCs is eight years commencing from the date of issue of TFCs which was August 2017 and ending on August 2025. Profit on the instrument is receivable on semi-annually basis in arrears on the outstanding balance and the first such profit payment is due at the expiry of 6 months from the issue date and subsequently every six months thereafter. Profit rate on this term finance certificate is six months average KIBOR + 1.85% per annum. The instrument is structured to redeem 0.14% of the issue amount during the first 7 years and remaining 99.86% in the last two semi annual instalments of 49.93% each. The instrument is unsecured and subordinated to all other indebtedness of the Bank. The latest available rating of the instrument is BBB+ rated on December 23, 2021. No credit rating is available for this TFC as this has become a non-performing security.

During the previous year 2022, the issuer defaulted the coupon payment which was due on February 10, 2022, as a result the investment was classified as non-performing asset on February 25, 2022 and the markup income / coupon was suspended accordingly. As per the requirements of Circular No. 33 of 2012 issued by the SECP on October 24, 2012, the profit accrued upto February 10, 2022 was reversed and an unrealised loss of Rs. 7.99 million, which is 20% of outstanding principal amount of Rs. 39.96 million was recorded as an unrealised loss during the year ended June 30, 2022. Till June 2023, further provision of Rs. 15.98 million was recorded, which is 40% of principal amount followed by an another provision of Rs. 15.98 million during the half year ended December 2023 which is remaining 40% of principal amount.

6.2.3.1 The Securities and Exchange Commission of Pakistan (SECP), vide its circular No. 16 date July 07, 2010 prescribed certain disclosures for the schemes holding investments that were non-compliant either with the minimum investment criteria specified for category assigned to such schemes or with the investment requirement of their consecutive documents. The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorization criteria a laid down in the circular. Lakson Asset Management Limited (the Management Company) classified Lakson Tactical Fund (the Fund) as an 'Asset Allocation Scheme' in accordance with the said circular. As at December 31, 2023, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires the rating of any security in the portfolio shall not be lower than the investment grade. The following are the details of non-compliant investments held by the Fund:

Name of Non-compliant investment	Note	Type of Investment	Value of investment before provision	Provision held (if any)	Value of Investment after provision	Investment as percentage of Net Assets	Investment as percentage of Gross Assets
----- (Rupee) -----							
Silk Bank Limited	6.2.3	Term Finance Certificate	35,413,827	35,413,827	-	0.00%	0.00%

6.3 Government securities - at fair value through profit or loss

6.3.1 Pakistan Investment Bonds

Name of security	Note	Date of Issuance	Tenure	Cost	Holding as at July 01, 2023	Purchases during the period	Disposed / matured during the period	Holding as at December 31, 2023	Carrying value as at December 31, 2023 before revaluation	Market value as at December 31, 2023 (after revaluation)	Unrealised gain / (loss)	Market value as % of total investments	Market value as % of net assets
----- No. Of Units -----								----- (Rupees) -----			----- (%) -----		
10 years Pakistan Investment Bond	6.3.1.1	May 31, 2018	10 years	25,000,000	250,000	-	-	250,000	23,820,000	24,492,500	672,500	6.78%	5.41%
Total as at December 31, 2023									23,820,000	24,492,500	672,500	6.78%	5.41%
Total as at June 30, 2023									25,000,000	23,820,000	(1,180,000)	8.33%	7.65%

6.3.1.1 This represents investments in 10 years Pakistan Investment Bond carrying an effective profit rate of 22.41% and having maturity on May 31, 2028. The face value of Pakistan Investment Bond as at September 30, 2023 amounts to Rs. 25 million.

6.3.2 Market Treasury Bills

Name of security	Date of Issuance	Holding as at July 01, 2023	Purchases during the period	Disposed / matured during the period	Holding as at December 31, 2023	Carrying value as at December 31, 2023 before revaluation	Market value as at December 31, 2023 (after revaluation)	Unrealised gain / (loss)	Market value as % of total investments	Market value as % of net assets
						No. Of Units	(Rupees)	(%)		
3 Months Market Treasury Bill	Jun 22, 2023	1,180,000	-	1,180,000	-	-	-	-	-	-
3 Months Market Treasury Bill	May 18, 2023	-	3,200	3,200	-	-	-	-	-	-
3 Months Market Treasury Bill	Jul 25, 2023	-	400,000	400,000	-	-	-	-	-	-
3 Months Market Treasury Bill	Nov 02, 2023	-	1,300,000	-	1,300,000	128,212,673	128,197,374	(15,299)	35.50%	0.28
3 Months Market Treasury Bill	Aug 24, 2023	-	1,120,000	1,120,000	-	-	-	-	-	-
3 Months Market Treasury Bill	Sep 21, 2023	-	1,300,000	1,300,000	-	-	-	-	-	-
Total as at December 31, 2023						128,212,673	128,197,374	(15,299)	35.50%	28.33%
Total as at June 30, 2023						112,471,282	112,286,322	(184,960)	39.27%	36.04%

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- (Rupees) -----	
7	MARKUP ACCRUED AND DIVIDEND RECEIVABLE		
Profit receivable on :			
- Profit and loss sharing bank accounts		2,734,336	426,178
- Term finance certificates		479,099	1,002,362
- Government securities		1,025,664	461,458
		<u>4,239,099</u>	<u>1,889,998</u>
Dividend receivable		32,764	32,764
		<u>4,271,863</u>	<u>1,922,762</u>

8 DEPOSITS AND OTHER RECEIVABLES

Security deposit to:

- Central Depository Company of Pakistan Limited		100,000	100,000
- National Clearing Company of Pakistan Limited		2,500,000	2,500,000
Withholding tax recoverable	8.1	1,012,141	956,346
Prepayments		12,130	-
		<u>3,624,271</u>	<u>3,556,346</u>

- 8.1 As per Clause 47(B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax. The amount of withholding tax deducted on markup on bank deposits has been shown as advance tax as at December 31, 2023, as in the opinion of the management, the amount of tax deducted at source will be refunded.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- (Rupees) -----	
9	PAYABLE TO THE MANAGEMENT COMPANY		
Remuneration payable to the Management Company	9.1	646,655	528,299
Sales tax payable on remuneration to the Management Company	9.2	84,065	68,678
Federal excise duty payable on remuneration to the Management	9.3	1,943,186	1,943,186
		<u>2,673,906</u>	<u>2,540,163</u>

- 9.1 As per Regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Currently the effective rate of Management Company remuneration for the half year ended December 31, 2023 is 1% of average net assets. Remuneration is paid to the Management company in arrears on a monthly basis.

- 9.2 The Sindh Revenue Board has levied Sindh Sales Tax (SST) at the rate of 13% (June 30, 2023: 13%) on the remuneration of management company through Sindh Sales Tax on Services Act, 2011. This includes Sindh Sales Tax charged on Federal Excise Duty which is not paid due to the case pending for adjudication in Supreme Court of Pakistan as disclosed in note 9.3.

- 9.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016. During the year ended 30 June 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, being prudent the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 1.94 million (2022: 1.94 million) is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the net asset value of the Fund as at December 31, 2023 would have been higher by Rs. 0.47 (June 30, 2023: Rs.0.57) per unit.

	December 31, 2023 (Unaudited) ----- (Rupees) -----	June 30, 2023 (Audited)
10 ACCRUED EXPENSES AND OTHER LIABILITIES		
Brokerage payable	206,531	118,247
Fee payable to National Clearing Company of Pakistan	31,407	100,000
Auditors' remuneration	678,111	590,280
Fee payable to Central Depository Company	34,120	14,434
Professional fee payable	44,806	39,250
Other liabilities	86,862	207,015
	<u>1,081,837</u>	<u>1,069,226</u>

11 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 half year ended December 31, 2023 is 3.32% which includes 0.42% representing government levies (comprising 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).

12 CONTINGENCIES AND COMMITMENTS

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

13 TAXATION

The Fund is exempt from taxation under Clause 99 of the Part I of the Second 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. Since the Management Company has distributed the income earned by the Fund during the year to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements.

14 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in this condensed interim financial information as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

15 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 being holding company of the management company, 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 as approved by the Board.

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

			December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
			----- (Rupees) -----	
15.1	Details of balance with related parties / connected persons for the period ended	Note		
	Lakson Investments Limited - Management Company			
	Remuneration payable	9.1	<u>646,655</u>	528,299
	Sindh Sales Tax payable on Management Company's remuneration*	9.2	<u>84,065</u>	68,678
	Federal Excise Duty	9.3	<u>1,943,186</u>	1,943,186
	Central Depository Company of Pakistan Limited - Trustee			
	Remuneration payable		<u>177,549</u>	162,729
	Settlement charges payable		<u>34,120</u>	14,434
	Security deposit		<u>100,000</u>	100,000
	Habib Bank AG Zurich - Custodian			
	Bank deposits		<u>945,133</u>	986,056
	Settlement charges payable		<u>57,445</u>	-
15.2	Details of transaction with related parties / connected persons during the period ended		December 31,	
			2023	2022
			(Unaudited)	
			----- (Rupees) -----	
	Lakson Investments Limited - Management Company of the Fund			
	Remuneration to the Management Company		<u>3,377,476</u>	3,156,978
	Sindh Sales Tax on Management Company's remuneration*		<u>439,072</u>	410,407
	Central Depository Company of Pakistan Limited - Trustee of the Fund			
	Remuneration for the period		<u>383,103</u>	505,696
	Settlement Charges for the period		<u>21,270</u>	90,556
	Habib Bank AG Zurich - Custodian			
	Settlement charges		<u>60,168</u>	-

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

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

Half year ended December 31, 2023							
-----Number of units-----				-----Rupees-----			
Number of units as at July 01, 2023	Units issued during the period	Units redeemed during the period	Number of units as at December 31, 2023	Balance as at July 01, 2023	Units issued during the period	Units redeemed during the period	Balance as at December 31, 2023
127,854	-	-	127,854	11,663,671	-	-	13,926,546

Directors, Chief Executive and their spouse and minors

Associated companies / undertakings of the Management Company

Accuray Surgical Limited Employees Contributory Provident Fund	53,355	97,837	104,549	46,643	4,867,434	10,393,962	11,033,962	5,080,606
Century Insurance Co. Ltd., GF	42,475	105,436	84,949	62,962	3,874,816	11,220,844	9,020,845	6,858,118
Century Insurance Company Limited Employees Contributory Provident Fund Trust	59,149	127,726	118,298	68,576	5,395,971	13,612,198	12,562,198	7,469,713
Century Paper & Board Mills Limited ECPFT	581,820	1,294,114	1,163,640	712,294	53,077,413	137,903,459	123,553,459	77,586,925
Century Paper & Board Mills Limited EGF	518,912	1,175,685	1,037,823	656,774	47,338,493	125,742,197	110,442,197	71,539,319
Colgate Palmolive Pakistan Limited ECPFT	552,966	1,218,012	1,105,932	665,046	50,445,167	129,839,893	117,439,893	72,440,397
Colgate Palmolive Pakistan Limited EGF	602,069	1,360,752	1,204,138	758,683	54,924,633	145,033,411	127,853,411	82,639,902
Cyber Internet Services (Pvt.) Ltd. Empl. CPFT	275,018	635,927	550,037	360,909	25,088,956	67,828,851	58,408,851	39,312,114
Hasanali Karabhai Foundation ECPF Trust	8,165	17,228	16,329	9,064	744,821	1,833,995	1,733,996	987,266
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	5,892	-	-	5,892	537,547	-	-	641,836
Lakson Investments Limited ECPFT	30,013	71,920	60,026	41,907	2,737,984	7,674,219	6,374,219	4,564,746
Merit Packaging Limited Employees Contributory Provident Fund Trust	73,594	149,405	147,188	75,811	6,713,736	15,910,050	15,630,050	8,257,721
Merit Packaging Limited Employees Gratuity Fund	39,921	84,179	79,843	44,257	3,641,877	8,968,545	8,478,545	4,820,745
Siza Foods Private Limited Employees Contributory Provident Fund Trust	339,965	735,183	679,930	395,217	31,013,837	78,596,259	72,356,259	43,049,202
Siza Services Private Limited Employees Countributory Provident Fund Trust	30,399	66,100	60,798	35,701	2,773,174	7,036,142	6,456,143	3,888,761
Sybrid (Private) Limited ECPFT	60,328	133,229	120,656	72,901	5,503,532	14,202,610	12,812,610	7,940,719

	Period ended December 31, 2022							
	-----Number of units-----				-----Rupees-----			
	Number of units as at July 01, 2022	Units issued during the period	Units redeemed during the period	Number of units as at December 31, 2022	Balance as at July 01, 2022	Units issued during the period	Units redeemed during the period	Balance as at December 31, 2022
Directors, Chief Executive and their spouse and minors	121,644	-	-	121,644	11,091,069	-	-	11,163,326
Other key management personnel	16,476	-	-	16,476	1,502,231	-	-	1,512,018
Lakson Investments Limited - Management Company	1,636,986	-	1,636,986		149,254,154	-	150,476,369	
Associated companies / undertakings of the Management Company								
Accuray Surgical Limited Employees Contributory Provident Fund	44,659	-	4,526	40,133	4,071,832	-	415,000	3,683,027
Century Insurance Co. Ltd., GF	45,359	-	5,333	40,027	4,135,706	-	489,000	3,673,258
Century Insurance Company Limited	444,538	-	444,538	-	40,531,296	-	40,531,296	-
Century Insurance Company Limited Employees Contributory Provident Fund Trust	62,120	-	6,380	55,740	5,663,854	-	585,000	5,115,285
Century Paper & Board Mills Limited ECPFT	610,176	-	61,888	548,288	55,633,550	-	5,675,000	50,316,544
Century Paper & Board Mills Limited EGF	546,532	-	57,527	489,005	49,830,640	-	5,275,000	44,876,128
Colgate Palmolive Pakistan Limited ECPFT	577,532	-	56,436	521,096	52,657,217	-	5,175,000	47,821,129
Colgate Palmolive Pakistan Limited EGF	634,656	-	67,287	567,369	57,865,536	-	6,170,000	52,067,583
Cyber Internet Services (Pvt.) Ltd. Empl. CPFT	288,558	-	29,390	259,168	26,309,641	-	2,695,000	23,783,888
Gam Corporation Private Limited Employees Contributory Provident Fund	194,586	-	17,449	177,137	17,741,802	-	1,600,000	16,255,915
Hasanali Karabhai Foundation ECPF Trust	8,488	-	796	7,692	774,093	-	73,000	705,887
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	5,650	-	-	5,650	515,194	-	-	518,502
Lakson Investments Limited ECPFT	31,991	-	3,708	28,283	2,916,830	-	340,000	2,595,561
Merit Packaging Limited Employees Contributory Provident Fund Trust	74,713	-	15,267	59,446	6,812,012	-	1,419,000	5,455,346
Merit Packaging Limited Employees Gratuity Fund	39,132	-	3,937	35,195	3,567,929	-	361,000	3,229,884
Siza Foods Private Limited Employees Contributory Provident Fund Trust	159,372	-	16,140	143,232	14,530,981	-	1,480,000	13,144,416
Siza Services Private Limited Employees Countributory Provident Fund Trust	32,148	-	3,501	28,647	2,923,126	-	313,000	2,628,920
Sybrid (Private) Limited ECPFT	63,275	-	6,423	56,851	5,769,138	-	589,000	5,217,252

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

		December 31, 2023						
		Carrying amount			Fair value			
Financial assets measured at fair value		Mandatory at fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
	Note	(Rupees)						
Investment in listed equity securities	6.1	183,308,334	-	183,308,334	183,308,334	-	-	183,308,334
Term finance certificates	6.2	25,114,730	-	25,114,730	-	25,114,730	-	25,114,730
Government Securities		361,112,938	-	361,112,938	-	361,112,938	-	361,112,938
		<u>569,536,002</u>	<u>-</u>	<u>569,536,002</u>	<u>183,308,334</u>	<u>386,227,668</u>	<u>-</u>	<u>569,536,002</u>
Financial assets not measured at fair value	16.1							
Bank balances - held at amortised cost	5	-	98,371,993	98,371,993	-	-	-	-
Markup accrued and dividend receivable	7	-	4,271,863	4,271,863	-	-	-	-
Deposits and other receivables	8	-	2,600,000	2,600,000	-	-	-	-
		<u>-</u>	<u>105,243,856</u>	<u>105,243,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value	16.1							
Payable to the Management Company	9.1	-	646,655	646,655	-	-	-	-
Remuneration payable to the Trustee		-	177,549	177,549	-	-	-	-
Accrued expenses and other liabilities	10	-	1,081,837	1,081,837	-	-	-	-
		<u>-</u>	<u>1,906,041</u>	<u>1,906,041</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

As at June 30, 2023

		Carrying amount			Fair value			
		Mandatory at fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value		(Rupees)						
Investment in listed equity securities	6.1	108,794,654	-	108,794,654	108,794,654	-	-	108,794,654
Term finance certificates	6.2	41,010,919	-	41,010,919	-	41,010,919	-	41,010,919
Government Securities		136,106,322	-	136,106,322		136,106,322	-	136,106,322
		<u>285,911,895</u>	<u>-</u>	<u>285,911,895</u>	<u>108,794,654</u>	<u>177,117,241</u>	<u>-</u>	<u>285,911,895</u>
Financial assets not measured at fair value		16.1						
Bank balances - held at amortised cost	5	-	25,366,159	25,366,159	-	-	-	-
Markup accrued and dividend receivable	7	-	1,922,762	1,922,762	-	-	-	-
Deposits and other receivables	8	-	2,600,000	2,600,000	-	-	-	-
		<u>-</u>	<u>29,888,921</u>	<u>29,888,921</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value		16.1						
Payable to the Management Company	9.1	-	528,299	528,299	-	-	-	-
Remuneration payable to the Trustee		-	162,729	162,729	-	-	-	-
Accrued expenses and other liabilities		-	1,069,226	1,069,226	-	-	-	-
		<u>-</u>	<u>1,760,254</u>	<u>1,760,254</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

16.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of their fair values.

17 GENERAL

17.1 The corresponding figures have been re-classified wherever necessary

17.2 Figures have been rounded off to the nearest rupee

18 DATE OF AUTHORIZATION OF ISSUE

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

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR