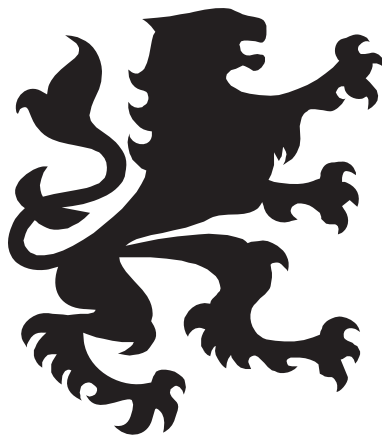


LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND  
Quarterly Report (March 31, 2024)



**LAKSON INVESTMENTS**

WE MANAGE YOUR MONEY, AS WE MANAGE OUR OWN

## **CONTENTS**

Fund's Information	1
Review Report of the Directors of the Management Company (English)	3
Review Report of the Directors of the Management Company (Urdu)	6
Condensed Interim Statement of Assets and Liabilities	10
Condensed Interim Income Statement	11
Condensed Interim Statement of Comprehensive Income	12
Condensed Interim Statement of Movement in Unit Holders' Fund	13
Condensed Interim Cash Flow Statement	14
Notes to and forming part of the Condensed Interim Financial Information	15

## ===== **Vision** =====

To be a top quartile provider of investment solutions to both individuals and institutions. Through the success of our clients and employees we seek to build sustainable and long-term shareholder value, and to be an employer of choice in the asset management industry.

## ===== **Mission** =====

To deliver superior performance as measured by market share parameters, high-quality service and a portfolio of innovative yet tailored products across a range of investment disciplines and distribution channels.

To provide a fulfilling, stimulating and supportive environment for our employees that fosters their personal growth and facilitates our productivity as a team.

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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](http://www.li.com.pk)  
E-mail: [info@li.com.pk](mailto: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**

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

**Bankers to the Fund**

Allied Bank Limited  
Bank Alfalah Limited  
Dubai Islamic Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
Habib Bank AG Zurich  
National Bank of Pakistan  
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**

Rabia Fida  
BMA Capital Management

**Rating**

5-Star (One Year)  
5-Star (Three Years)  
5-Star (Five Years)  
Fund Performance Ranking  
AM2+ : Asset Manager Rating by PACRA

**LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND  
REVIEW REPORT OF THE DIRECTORS' OF THE MANAGEMENT COMPANY  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Asset Allocation Developed Markets Fund ("LAADMF") is pleased to submit its review report together with Condensed Interim Financial Information for the nine months period ended March 31, 2024.

**Fund Objective**

The investment objective of the Fund is to provide long-term capital appreciation by investing in a mix of domestic debt and Developed Markets Securities.

**Principal activities**

LAADMF is an open-end asset allocation scheme and is listed on Pakistan Stock Exchange Limited. The Scheme is managed using an active investment management style which focuses on an analysis of the macro factors such as government policies, global economic data, commodities prices and supply/demand dynamics. The Scheme switches exposure between the domestic Government Securities and the Developed Markets securities based on the outlook of the Investments Team of the performance of the Developed Markets. The Scheme may overweight or underweight countries relative to its benchmark for Developed Markets investments, the MSCI World Index. Exposure of the Scheme in the fixed income securities is managed through duration and yield curve management by shifting between different maturities of the Government Securities.

**Fund performance**

Lakson Asset Allocation Developed Markets Fund generated an absolute return of 7.96% in the 3QFY24 compared to the Benchmark return of 16.08%. The LAADMF has underperformed the benchmark by -8.12%. As of March 31, 2024, 29.7% of the fund was invested in ETFs, 30.8% in T-Bills, 34.3% in PIBs, 2.9% in cash and 2.3% in others on a total assets basis. The fund size of the LAADMF as of March 31, 2024 is PKR 1,522.39 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**

In the third quarter of the fiscal year, Pakistan's economy demonstrated resilience and progress, largely propelled by adherence to IMF targets and external support. The completion of the first review of Pakistan's economic reform program by the IMF in January marked a significant milestone, resulting in an immediate disbursement of USD 700 million. This injection of funds bolstered foreign exchange reserves and provided much-needed stability to the external front, leading to a strengthening of the local currency.

Throughout the quarter, Pakistan witnessed improvements in its trade balance dynamics. In January, the trade deficit narrowed by 24.8%, primarily driven by a 24.7% increase in exports coupled with a 1.8% decline in imports. This positive trend contributed to a more favorable economic outlook and helped alleviate pressure on the country's external accounts.

Furthermore, inflationary pressures exhibited signs of moderation during the quarter. While CPI-based inflation remained elevated, clocking in at 28.3% in January, it slowed down to 20.7% by March. Similarly, core inflation showed a downward trajectory, suggesting a potential easing of price pressures in the coming months. These developments provided room for the State Bank of Pakistan (SBP) to consider initiating a monetary easing cycle, supported by positive real interest rates.

On the fiscal front, Pakistan's tax collection saw robust growth, with FBR tax revenues surpassing targets. This trend indicated improving fiscal discipline and revenue mobilization efforts. Additionally, GDP growth showed signs of stabilization, with a growth rate of 2.13% recorded in the first quarter of the fiscal year, expected to normalize to around 3.3% for the full fiscal year.

Overall, the third quarter showcased promising advancements in Pakistan's economic landscape, underpinned by proactive policy measures, adherence to IMF targets, and improving external dynamics. Moving forward, sustaining this momentum and addressing structural challenges will be crucial for fostering long-term economic stability and growth.

### **Fixed Income Market Review**

During January, T-bill auctions showed consistent yield declines, reflecting market sentiment amidst a steady policy rate. The Monetary Policy Committee's decision to maintain the policy rate signaled a cautious approach amidst anticipated inflationary pressures. February witnessed yield fluctuations, indicating shifting market expectations regarding monetary policy actions. Despite a notable decline in inflation, uncertainty prevailed regarding the timing of potential rate cuts. March saw stability in T-bill rates due to robust bank deposit rates and shifting investment patterns. Anticipation of yield decreases in April underscored market optimism, despite lingering uncertainty over monetary policy decisions. The first quarter showcased a dynamic fixed income landscape, influenced by inflationary concerns, market expectations, and monetary policy deliberations.

### **Developed Markets Review**

The MSCI developed market index recorded a 7% QoQ increase during 3QFY24. This improvement in performance can be attributed to a declining inflation forecast and monetary easing in future.

### **Future Outlook**

Pakistan and the International Monetary Fund (IMF) reached a staff-level agreement on the final review of a USD 3.0 billion bailout, where the country will receive USD 1.1 billion after approval from the Fund's Executive Board in April 2024. This development underscores the government's unwavering commitment to remain in accordance with the IMF targets. The government has also publicly announced its intention to seek a new IMF program of at least USD 6 billion after the current program expires. This will unlock funding from bilateral and multilateral sources. This will increase SBP reserves to USD10bn (as per SBP and IMF forecast).

The latest CPI reading for the month of March-24 has come out at 20.68%, where the inflation has fallen below the policy rate for the first time after 37 months, with further decline anticipated in coming months. Considering the inflation trajectory, we expect the SBP to initiate the monetary easing cycle from the upcoming monetary policy at the end of this month. While interest rates are still at elevated levels, smart money is considering the declining trajectory in inflation and interest rates as an opportune time to gradually build position into equities. Eventual decline in interest rates will trigger a strong shift of liquidity towards equities.

Moreover, robust corporate profits surpassing estimated growth rates, and the anticipated decline in interest rates from the next monetary policy, create a favorable environment for equity investments. Positive trends in foreign investment, coupled with limited institutional exposure and active corporate activity such as share repurchases and acquisitions at significant premiums, form a compelling landscape that presents opportunities for both domestic and international investors seeking to capitalize on Pakistan's vibrant stock market.

**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: April 30, 2024



لیکسن ایسیٹ ایلوکیشن ڈیویلپڈ مارکیٹس فنڈ  
31 مارچ 2024ء کو ختم ہونے والی 9 ماہی مدت کے لیے  
مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

لیکسن ایسیٹ ایلوکیشن ڈیویلپڈ مارکیٹس فنڈ ("LAADMF") کی مینجمنٹ کمپنی، لیکسن انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز کیلئے  
31 مارچ 2024ء کو ختم ہونے والی 9 ماہی مدت کے لیے اپنی جائزہ رپورٹ مع مختصر عبوری مالیاتی معلومات پیش کرنا باعث مسرت ہے۔

### فنڈ کا مقصد

لیکسن ایسیٹ ایلوکیشن ڈیویلپڈ مارکیٹس فنڈ کی سرمایہ کاری کا مقصد، مختلف طرح کے ملکی قرضوں اور ڈیویلپڈ مارکیٹس سیکورٹیز میں سرمایہ  
کاری کرتے ہوئے طویل مدت کے لیے اصل سرمائے کی قدر میں اضافہ کرنا ہے۔

### نمایاں سرگرمیاں

LAADMF ایک اوپن اینڈ ایسیٹ ایلوکیشن اسکیم ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں لسٹڈ ہے۔ اسکیم کو انویسٹمنٹ مینجمنٹ کے  
ایک فعال انداز کو اختیار کرتے ہوئے چلایا جاتا ہے، جس میں بڑے عوامل جیسے حکومتی پالیسیز، گلوبل اکنا مک ڈیٹا، کموڈٹیز کی قیمتیں  
اور سپلائی/ڈیمانڈ ڈائنمکس کے تجزیوں کو پیش نظر رکھا جاتا ہے۔ اس اسکیم سے ڈومیسٹک گورنمنٹ سیکورٹیز اور ڈیویلپڈ مارکیٹس سیکورٹیز  
کے درمیان باہمی تبادلے کے ساتھ سرمایہ کاری کی جاتی ہے، جو ڈیویلپڈ مارکیٹس کی کارکردگی کے متعلق انویسٹمنٹس ٹیم کی توقعات کی بنیاد  
پر ہوتی ہے۔ یہ اسکیم ڈیویلپڈ مارکیٹس کی سرمایہ کاری سے متعلق بینچ مارک MSCI World Index کے حوالے سے متعلقہ ممالک  
کو اور ویٹ یا انڈرویٹ کر سکتی ہے۔ فکسڈ انکم سیکورٹیز میں اسکیم کی سرمایہ کاری کو دورانیہ اور yield curve مینجمنٹ کے ذریعے حکومتی  
سیکورٹیز کی مختلف میچورٹیز کے مابین منتقل کرتے ہوئے منظم کیا جاتا ہے۔

### فنڈ کی کارکردگی

لیکسن ایسیٹ ایلوکیشن ڈیویلپڈ مارکیٹس فنڈ نے مالی سال 2024ء کی تیسری سہ ماہی میں بینچ مارک منافع 16.08% کے مقابلے  
میں 7.96% کا مطلق منافع حاصل کیا۔ فنڈ نے بینچ مارک کے مقابلے میں منفی 8.12% کم تر کارکردگی کا مظاہرہ کیا۔ 31 مارچ  
2024ء کے مطابق فنڈ نے مجموعی اثاثہ جات بنیاد پر 29.7% ای ٹی ایف میں، 30.8% ٹی بلز میں، 34.3% پی آئی بیز میں،  
2.9% کیش میں اور 2.3% دیگر میں سرمایہ کاری کی۔ 31 مارچ 2024ء کے مطابق LAADMF کے فنڈز کا حجم 1,522.39

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۔

## معاشی جائزہ

مالی سال کی تیسری سہ ماہی میں پاکستان کی معیشت نے لچک اور ترقی کا مظاہرہ کیا جس کی بڑی وجہ آئی ایم ایف کے اہداف کی پاسداری اور بیرونی حمایت ہے۔ جنوری میں آئی ایم ایف کی جانب سے پاکستان کے اقتصادی اصلاحاتی پروگرام کے پہلے جائزے کی تکمیل ایک اہم سنگ میل کی حیثیت رکھتی ہے جس کے نتیجے میں فوری طور پر 700 ملین ڈالر کی ادائیگی کی گئی۔ فنڈز کی اس وصولی سے زرمبادلہ کے ذخائر میں اضافہ ہوا اور بیرونی محاذ کو انتہائی ضروری استحکام فراہم ہوا جس سے مقامی کرنسی کو تقویت ملی۔

پوری سہ ماہی کے دوران پاکستان نے اپنے تجارتی توازن کی حرکیات میں بہتری دیکھی۔ جنوری میں تجارتی خسارہ 24.8 فیصد کم ہوا، جس کی بنیادی وجہ برآمدات میں 24.7 فیصد اضافہ اور درآمدات میں 1.8 فیصد کمی ہے۔ اس مثبت رجحان نے زیادہ سازگار معاشی نقطہ نظر میں کردار ادا کیا اور ملک کے بیرونی کھاتوں پر دباؤ کو کم کرنے میں مدد کی۔

مزید برآں، افراط زر کے دباؤ نے سہ ماہی کے دوران میانہ روی کے اشارے دکھائے۔ اگرچہ سی پی آئی پر مبنی افراط زر کی شرح جنوری میں 28.3 فیصد کی بلند سطح پر رہی جو مارچ تک کم ہو کر 20.7 فیصد رہ گئی۔ اسی طرح بنیادی افراط زر میں بھی کمی دیکھی گئی جس سے آنے والے مہینوں میں قیمتوں کے دباؤ میں ممکنہ کمی کا اشارہ ملتا ہے۔ انہی پیش رفتوں نے اسٹیٹ بینک آف پاکستان (ایس بی پی) کو مثبت حقیقی شرح سود کی مدد سے مالیاتی نرمی کا عمل شروع کرنے پر غور کرنے کی گنجائش فراہم کی۔

مالی محاذ پر، پاکستان کی ٹیکس وصولیوں میں زبردست اضافہ دیکھا گیا، ایف بی آر ٹیکس محصولات اہداف سے تجاوز کر گئے۔ اس رجحان نے مالی نظم و ضبط اور محصولات کو متحرک کرنے کی کوششوں میں بہتری کی نشاندہی کی۔ مزید برآں، جی ڈی پی کی شرح نمو میں استحکام کے اشارے ملے، مالی سال کی پہلی سہ ماہی میں شرح نمو 2.13 فیصد ریکارڈ کی گئی، توقع ہے کہ پورے مالی سال کے لئے یہ 3.3 فیصد کے قریب معمول پر آجائے گی۔

## فلسفہ انکم مارکیٹ کا جائزہ

جنوری کے دوران ٹی بی بل کی نیلامی سے حاصل شدہ آمدنی میں مسلسل کمی دیکھی گئی، جس سے مستحکم پالیسی ریٹ کے تناظر میں مارکیٹ کے

جذبات کی عکاسی ہوتی ہے۔ مانیٹری پالیسی کمیٹی کا پالیسی ریٹ برقرار رکھنے کا فیصلہ متوقع افراط زر کے دباؤ کے درمیان محتاط نقطہ نظر کی نشاندہی کرتا ہے۔ فروری میں پیداواری اتار چڑھاؤ دیکھا گیا، جس سے مالیاتی پالیسی کے اقدامات کے بارے میں مارکیٹ کی توقعات میں تبدیلی کا اشارہ ملتا ہے۔ افراط زر میں نمایاں کمی کے باوجود شرح سود میں ممکنہ کٹوتی کے وقت کے حوالے سے غیر یقینی صورتحال برقرار ہے۔ مارچ میں بینک ڈپازٹس کی مضبوط شرح اور سرمایہ کاری کے بدلتے ہوئے طریقوں کی وجہ سے ٹی بل کی شرح میں استحکام دیکھا گیا۔ مالیاتی پالیسی سے متعلق فیصلوں کے حوالے سے غیر یقینی صورتحال کے باوجود اپریل میں پیداواری کمی کے امکان نے مارکیٹ کی امید کو اجاگر کیا۔ پہلی سہ ماہی نے افراط زر کے خدشات، مارکیٹ کی توقعات اور زری پالیسی پر مشاورت سے متاثر ہو کر ایک متحرک فلسفہ آمدنی کا منظر نامہ دکھایا۔

### ڈیویڈ مارکیٹس کا جائزہ

مالی سال 2024 کی تیسری سہ ماہی کے دوران MSCI ڈیویڈ مارکیٹ انڈیکس میں سہ ماہی بنیادوں پر 7% اضافہ ریکارڈ کیا گیا۔ کارکردگی میں اس بہتری کی وجہ افراط زر میں کمی کی پیش گوئی اور مستقبل میں مالیاتی نرمی کو قرار دیا جاسکتا ہے۔

### مستقبل کا منظر نامہ

پاکستان اور عالمی مالیاتی فنڈ (آئی ایم ایف) کے درمیان 3 ارب ڈالر کے ٹیل آؤٹ پیکیج کے حتمی جائزے پر اسٹاف لیول معاہدہ طے پایا ہے، جس کے تحت اپریل 2024 میں فنڈ کے ایگزیکٹو بورڈ سے منظوری کے بعد وطن عزیز کو 1.1 ارب ڈالر ملیں گے۔ یہ پیش رفت آئی ایم ایف کے اہداف کے ساتھ مطابقت کے لئے حکومت کے غیر متزلزل عزم کی عکاسی کرتی ہے۔ حکومت نے آئی ایم ایف کے موجودہ پروگرام کی میعاد ختم ہونے کے بعد کم از کم 6 ارب ڈالر کا نیا آئی ایم ایف پروگرام شروع کرنے کے ارادے کا بھی عوامی طور پر اعلان کیا ہے۔ اس سے دو طرفہ اور کثیرالجہتی ذرائع سے مالی اعانت حاصل ہوگی، جس کے نتیجے میں اسٹیٹ بینک کے ذخائر 10 ارب ڈالر تک بڑھ جائیں گے (اسٹیٹ بینک اور آئی ایم ایف کی پیش گوئی کے مطابق)۔

مارچ 2024 کے مہینے کے لئے تازہ ترین سی پی آئی تخمینہ 20.68 فیصد سامنے آیا ہے، جب افراط زر 37 ماہ کے بعد پہلی بار پالیسی ریٹ سے نیچے آ گیا ہے، جس میں آنے والے مہینوں میں مزید کمی متوقع ہے۔ افراط زر کی شرح کو مدنظر رکھتے ہوئے ہم توقع کرتے ہیں کہ اسٹیٹ بینک رواں ماہ کے آخر میں اگلی زری پالیسی سے مالیاتی نرمی کا عمل شروع کرے گا۔ اگرچہ شرح سود اب بھی بلند سطح پر ہے، اسمارٹ سرمایہ، افراط زر اور شرح سود میں بتدریج کمی کو آہستہ آہستہ ایکویٹی میں پوزیشن بنانے کے لئے مناسب وقت کے طور پر دیکھ رہا ہے۔ شرح سود میں بالآخر کمی، لیکویڈیٹی کی ایکویٹیز کی جانب مضبوط منتقلی کا سبب بنے گی۔

مزید برآں، معقول کارپوریٹ منافع، شرح نمو کے تخمینے سے تجاوز کر سکتا ہے اور اگلی مانیٹری پالیسی سے شرح سود میں متوقع کمی، ایکویٹی

سرمایہ کاری کے لئے سازگار ماحول پیدا کرتی ہے۔ غیر ملکی سرمایہ کاری میں مثبت رجحانات، محدود ادارہ جاتی رابطہ اور فعال کارپوریٹ سرگرمیاں جیسے حصص کی دوبارہ خریداری اور نمایاں پریمیم پر حصول، ایک زبردست منظر نامہ تشکیل دیتے ہیں جو پاکستان کی متحرک اسٹاک مارکیٹ سے فائدہ اٹھانے کے خواہاں ملکی اور بین الاقوامی سرمایہ کاروں دونوں کے لئے مواقع پیش کرتا ہے۔

اظہار تشکر

بورڈ اپنے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، فنڈ کی 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: 30 اپریل 2024ء

**LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2024**

		<b>March 31, 2024 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>(Rupees)</b>	
<b>ASSETS</b>			
Bank balances	5	<b>44,174,679</b>	41,854,303
Investments	6	<b>1,442,003,704</b>	1,395,103,298
Accrued mark-up and other receivable		<b>49,778,558</b>	6,798,486
<b>TOTAL ASSETS</b>		<b>1,535,956,941</b>	1,443,756,087
<b>LIABILITIES</b>			
Payable to the Management Company	7	<b>8,105,076</b>	8,099,252
Payable to the Trustee		<b>241,880</b>	224,102
Payable to Securities and Exchange Commission of Pakistan		<b>121,348</b>	224,684
Accrued expenses and other liabilities	8	<b>5,555,471</b>	19,636,388
<b>TOTAL LIABILITIES</b>		<b>14,023,774</b>	28,184,426
<b>NET ASSETS</b>		<b>1,521,933,167</b>	1,415,571,662
<b>UNIT HOLDERS' FUND (as per statement of movement in unit holders' fund)</b>		<b>1,521,933,167</b>	1,415,571,662
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9		
		(Number of units)	
<b>Number of units in issue</b>		<b>7,600,009</b>	7,627,973
		(Rupees)	
<b>Net assets value per unit</b>		<b>200.2541</b>	185.5763

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

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

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**

**LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS & QUARTER ENDED MARCH 31, 2024**

		Nine Months Ended		Quarter Ended	
		March 31,		March 31,	
		2024	2023	2024	2023
Note		(Rupees)			
<b>INCOME</b>					
	Realized gain / (loss) on sale of investment at fair value through profit or loss - net	182,566	22,367,449	(1,717,361)	(2,653,756)
	Unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss' - net	(12,864,702)	71,274,399	(12,168,577)	96,307,286
		(12,682,136)	93,641,848	(13,885,938)	93,653,530
	Dividend income on investments at fair value through profit or loss	3,930,044	6,837,268	-	2,870,772
	Markup on:				
	- Bank balances calculated using effective interest method	5,450,970	2,467,438	1,018,489	1,111,513
	- Government and other debt securities using effective interest method	152,663,467	73,690,253	53,145,506	25,729,231
		158,114,437	76,157,692	54,163,995	26,840,744
	Exchange (loss) / gain on foreign currency current account	(603,701)	40,532,048	(878,540)	7,484,510
	<b>Total Income</b>	148,758,644	217,168,856	39,399,517	130,849,556
<b>EXPENSES</b>					
	Remuneration to the Management Company	26,380,449	13,358,118	8,448,633	4,834,149
8.1					
	Sindh Sales tax on remuneration to the Management Company	3,429,451	1,736,555	1,098,322	628,439
7.2					
	Remuneration to the Trustee	2,098,278	1,760,892	705,265	598,311
	Annual fee to the Securities and Exchange Commission of Pakistan	1,049,274	161,721	356,720	56,722
	SECP supervisory fee	1,925	1,916	637	630
	Custody charges	704,223	809,267	241,256	456,350
	Auditors' remuneration	450,661	496,682	65,733	106,893
	Fees and subscription	138,900	129,531	(16,343)	42,510
	Brokerage charges	2,261,009	1,158,205	766,135	3,039
	Bank Charges	49,281	118,712	24	46,211
	<b>Total Expenses</b>	36,563,451	19,731,599	11,666,383	6,773,254
	Net income / (loss) from operating activities	112,195,193	197,437,257	27,733,134	124,076,302
	<b>Net Income / (loss) for the period before Taxation</b>	112,195,193	197,437,257	27,733,134	124,076,302
	Taxation	-	-	-	-
	<b>Net income / (loss) for the period after taxation</b>	112,195,193	197,437,257	27,733,134	124,076,302
	<b>Allocation of Net Income for the period</b>				
	Net income for the year after taxation	112,195,193	197,437,257	27,733,134	124,076,302
	Income already paid on units redeemed	(24,809,934)	(67,072,600)	(3,460,049)	(44,676,875)
		87,385,259	130,364,657	24,273,085	79,399,427
	<b>Accounting income available for distribution</b>				
	-Relating to capital gains	-	-	-	-
	-Excluding capital gains	87,385,259	130,364,657	24,273,085	79,399,427
	<b>Accounting income available for distribution</b>	87,385,259	130,364,657	24,273,085	79,399,427

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

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

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**

**LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS & QUARTER ENDED MARCH 31, 2024**

	Nine Months Ended March 31,		Quarter Ended March 31,	
	2024	2023	2024	2023
	(Rupees)			
Net income/ (loss) for the period after taxation	<b>112,195,193</b>	197,437,257	<b>27,733,134</b>	124,076,302
Other comprehensive income	-	-		
<b>Total comprehensive income / (loss) for the period</b>	<b><u>112,195,193</u></b>	<u>197,437,257</u>	<b><u>27,733,134</u></b>	<u>124,076,302</u>

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

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

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**

**LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND**  
**CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS'S FUND (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	Nine Months Ended Mar 31,					
	2024			2023		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees)					
Net assets at beginning of the period	1,306,571,347	109,000,315	1,415,571,662	917,611,396	97,095,915	1,014,707,311
Issuance of 2,865,153 units (2023: 7,569,363 units)						
as capital refund						
- Capital value	531,704,468	-	531,704,468	1,149,675,023	-	1,149,675,023
- Element on income / (loss)	24,171,450	-	24,171,450	149,677,663	-	149,677,663
Total proceeds on issuance of units	555,875,918		555,875,918	1,299,352,687	-	1,299,352,687
Redemption of 2,893,117 units (2023: 7,744,932 units)						
- Capital value	(536,893,953)	-	(536,893,953)	(1,176,341,340)	-	(1,176,341,340)
- Element on (loss) / income	(5,719)	(24,809,934)	(24,815,653)	(86,704,345)	(67,072,600)	(153,776,945)
Total payments on redemption of units	(536,899,672)	(24,809,934)	(561,709,606)	(1,263,045,685)	(67,072,600)	(1,330,118,285)
Total comprehensive income for the period	-	112,195,193	112,195,193	-	197,437,257	197,437,257
Net assets as at end of the period	1,325,547,593	196,385,574	1,521,933,167	953,918,398	227,460,572	1,181,378,969
Undistributed income brought forward:						
- Realized income		34,413,723			99,123,569	
- Unrealized income		74,586,591			(2,027,654)	
		109,000,314			97,095,915	
Accounting income available for distribution:						
Relating to capital gains		-			-	
Excluding capital gains		87,385,260			130,364,657	
		87,385,260			130,364,657	
Undistributed income at end of the period		196,385,574			227,460,572	
Undistributed income carried forward						
- Realized income		209,250,277			156,186,173	
- Unrealized income / (loss)		(12,864,702)			71,274,399	
Undistributed income at end of the period		196,385,574			227,460,572	
Net assets value per unit at beginning of the period			185.5763			151.8853
Net assets value per unit at end of the period			200.2541			181.6060

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

For Lakson Investments Limited  
(Management Company)

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR



**LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	<b>Nine Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>(Rupees)</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income / (loss) for the period before taxation	<b>112,195,193</b>	197,437,257
<b>Adjustments for:</b>		
Realized gain / (loss) on sale of investment at fair value through profit or loss - net	<b>(182,566)</b>	(22,367,449)
Unrealised (diminution) / appreciation on re-measurement of investments at fair value through profit or loss' - net	<b>12,864,702</b>	(71,274,399)
Dividend income	<b>(3,930,044)</b>	(6,837,268)
	<b>120,947,285</b>	96,958,141
<b>(Increase) in assets</b>		
Investments - net	<b>(59,582,541)</b>	(175,036,492)
Accrued mark-up and other receivable	<b>(42,980,072)</b>	(1,871,074)
	<b>(102,562,612)</b>	(176,907,566)
<b>Increase in liabilities</b>		
Payable to the Management Company	<b>5,824</b>	372,604
Payable to the Trustee	<b>17,778</b>	11,797
Annual fee to Securities and Exchange Commission of Pakistan	<b>(103,337)</b>	(47,104)
Accrued expenses and other liabilities	<b>(14,080,919)</b>	(13,340,462)
	<b>(14,160,654)</b>	(13,003,165)
<b>Net cash (used in) operating activities</b>	<b>4,224,018</b>	(92,952,590)
Dividend received	<b>3,930,045</b>	7,700,407
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Cash received from issue of units	<b>555,875,918</b>	1,299,352,687
Cash paid on redemption of units	<b>(561,709,606)</b>	(1,330,118,285)
<b>Net cash flow from financing activities</b>	<b>(5,833,687)</b>	(30,765,599)
<b>Net (decrease) in cash and cash equivalent during the period</b>	<b>2,320,376</b>	(116,017,782)
Cash and cash equivalent at the beginning of the period	<b>41,854,303</b>	156,385,700
<b>Cash and cash equivalent at the end of the period</b>	<b>44,174,679</b>	40,367,918

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

**For Lakson Investments Limited  
Management Company**

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**

**LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2024**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

The Lakson Asset Allocation Developed Market Fund (the "Fund") was established under the Trust Deed executed on 30 May 2011 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 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).

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 and is listed on the Pakistan Stock Exchange. 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 "Asset Allocation Scheme" as per the Circular 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP) and is authorised to invest within the prescribed limit mentioned in the offering document of the fund in Government securities, deposits and foreign currency deposits with local or foreign banks etc. in Pakistan. Further, as allowed by SECP and State Bank of Pakistan, the Fund can invest abroad up to 30% of the aggregated funds mobilized (including foreign currency funds) subject to a maximum limit of USD 15 million. The investments authorized outside Pakistan include exchange traded funds based on equities / debt with exposure in the commodities, index tracker funds tracking different commodities indices, actively managed commodities based funds, equities and debt securities of companies with exposure in commodities, future contracts of different commodities and foreign currency deposits etc.

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

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.

On 30 November 2023, VIS assigned following rankings to the Fund based on the performance review for the the year ended 30 June 2024:

1-year ranking: MFR 5-Star  
 3-year ranking: MFR 5-Star  
 5-year ranking: MFR 5-Star

**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 (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).

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 March 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 nine months ended 31 March 2024 have been extracted from the unaudited condensed interim financial information for the nine months ended 31 March, 2023.

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.

- 2.2** 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 March 31, 2024.

## 2.3 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.

## 2.4 Functional and presentation currency

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

## 2.5 Critical accounting estimates and judgements

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. 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 30 June 2023.

	Note	March 31, 2024 (Unaudited) (Rupees)	June 30, 2023 (Audited)
<b>5 BANK BALANCES</b>			
<i><u>In local currency</u></i>			
In profit and loss sharing accounts	5.1	4,382,577	6,845,116
In current accounts		8,504	8,504
<i><u>In foreign currency</u></i>			
In current account	5.2	39,783,598	35,000,683
		<u>44,174,679</u>	<u>41,854,303</u>

- 5.1 These carry mark-up rates ranging from 19.5% to 20.5% (30 June 2023: from 5.0% to 19.5%) per annum.

- 5.2 This represents USD denominated current account maintained in foreign country to USD 143,134 (2023: USD 122,384 ).

	Note	March 31, 2024 (Unaudited) (Rupees)	June 30, 2023 (Audited)
<b>6 INVESTMENTS</b>			
<b>Financial assets classified as fair value through profit or loss</b>			
<b>Government securities</b>			
- Market treasury bills	6.1	467,526,775	935,556,649
- Pakistan investment bonds	6.2	521,909,400	-
		989,436,175	935,556,649
- Exchange Traded Funds (Foreign Investments)	6.3	452,567,529	459,546,649
		<u>1,442,003,704</u>	<u>1,395,103,298</u>

**6.1 Government securities - Market Treasury Bills - at fair value through profit or loss**

Name of security	Issue Date	Date of Maturity	-----Number of units-----				Balance as at March 31, 2024			Market value as a percentage of net assets of the Fund	Market value as a percentage of total investments
			Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at the end of the period	Carrying Value	Market Value	Unrealised appreciation / (diminution)		
3 month Treasury Bills	April 22, 2023	July 15, 2023	500,000	-	500,000	-	-	-	-	0.00%	0.00%
3 month Treasury Bills	June 22, 2023	September 14, 2023	9,310,000	5,190,000	14,500,000	-	-	-	-	0.00%	0.00%
3 month Treasury Bills	August 10, 2023	November 2, 2023	-	9,600,000	9,600,000	-	-	-	-	0.00%	0.00%
3 month Treasury Bills	September 7, 2023	November 30, 2023	-	9,700,000	9,700,000	-	-	-	-	0.00%	0.00%
3 month Treasury Bills	September 21, 2023	December 14, 2023	-	190,000	190,000	-	-	-	-	0.00%	0.00%
3 month Treasury Bills	August 24, 2023	November 16, 2023	-	190,000	190,000	-	-	-	-	0.00%	0.00%
3 month Treasury Bills	November 2, 2023	January 25, 2024	-	3,000,000	3,000,000	-	-	-	-	0.00%	0.00%
3 month Treasury Bills	November 30, 2023	February 22, 2024	-	3,140,000	3,140,000	-	-	-	-	0.00%	0.00%
3 month Treasury Bills	February 8, 2024	May 2, 2024	-	1,250,000	-	1,250,000	122,928,607	122,712,375	(216,232)	8.06%	8.51%
12 month Treasury Bills	December 27, 2023	December 26, 2024	-	3,500,000	-	3,500,000	304,618,407	302,031,100	(2,587,307)	19.85%	20.95%
12 month Treasury Bills	January 24, 2024	January 23, 2025	-	500,000	-	500,000	43,176,221	42,783,300	(392,921)	2.81%	2.97%
Total as at March 31, 2024							470,723,236	467,526,775	(3,196,461)	30.72%	32.42%

**6.1.1** These represent 3 months & 12 months Government Treasury bill carrying a fixed mark-up rate ranging from 20.7300% to 21.9500% per annum and will mature from May 2, 2024 to Jan 23, 2025. The face value of Treasury Bills held as at March 31, 2024 amounted to Rs. 525 million. (June 30, 2023: 981)

**6.2 Government securities - Pakistan Investments Bonds - at fair value through profit or loss**

Name of security				-----Number of units-----				Balance as at March 31, 2024			Market value as a percentage of net assets of the Fund	Market value as a percentage of total investments
Name of security	Note #	Date of Maturity	Mark-up rate	Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at the end of the period	Carrying Value	Market Value	Unrealised appreciation / (diminution)		
5 years Pakistan Investment Bond	6.2.1	19-Oct-28	22.85%	-	3,590,000	-	3,590,000	349,614,784	343,957,900	(5,656,884)		22.60%
5 years Pakistan Investment Bond	6.2.2	14-Dec-28	21.33%	-	1,850,000	-	1,850,000	178,533,284	177,951,500	(581,784)	11.69%	12.34%
Total as at March 31, 2024								528,148,068	521,909,400	(6,238,668)	34.29%	36.19%

**6.2.1** This represents investments in 5 years Pakistan Investment Bond carrying an effective profit rate of 22.85% and having maturity on 19 October 2028. The face value of Pakistan Investment Bond as at 31 March 2024 amounted to Rs. 359 million.

**6.2.2** This represents investments in 5 years Pakistan Investment Bond carrying an effective profit rate of 21.33% and having maturity on 14 December 2028. The face value of Pakistan Investment Bond as at 31 March 2024 amounted to Rs. 185 million.

**6.3 Exchange Traded Funds (foreign investment) - at fair value through profit or loss**

-----Number of units-----				Balance as at March 31, 2024			Market value as a percentage of net assets of the Fund	Market value as a percentage of total investments
Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at the end of the period	Carrying Value	Market Value	Unrealised appreciation / (diminution)		
				----- (Rupees) -----				
15,968	-	15,968	-	-	-	-	-	-
-	10,000	10,000	-	-	-	-	-	-
-	12,500	-	12,500	456,726,734	452,567,529	(4,159,205)	29.74%	31.38%
				456,726,734	452,567,529	(4,159,205)	29.74%	31.38%
				1,455,598,037	1,442,003,704	(13,594,334)	94.75%	100.00%

**6.3.1** iShares Trust - iShares 0-3 Month Treasury Bond ETF is an exchange traded fund launched by BlackRock, Inc. The fund is managed by BlackRock Fund Advisors. It invests in fixed income markets of the United States. The fund primarily invests in U.S. dollar denominated treasury securities with remaining maturity of less than or equal to three months. It seeks to track the performance of the ICE 0-3 Month US Treasury Securities Index, by using representative sampling technique (30 June 2023: 15,968).

**6.3.2** BlackRock ICS US Dollar Liquidity Fund seeks current income consistent with preservation of principal and liquidity by investing in a broad range of transferable securities such as securities, instruments and obligations that may be available in the relevant markets (both within and outside the U.S.) for instruments denominated in U.S. dollars (30 June 2023: Nil).

**6.3.3** Ishares USD Treasury Bond 3-7 Years UCITS ETF seeks to track the performance of an index composed of US Dollar denominated government bonds issued by the US Treasury. Total value of the units at USD 130.26 per unit as at the nine months ended amounted to USD 1,628,250 (30 June 2023: Nil).

**6.3.4** Above units are held by Habib Bank AG Zurich as a custodian.

<b>March 31, 2024 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
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## 7 PAYABLE TO THE MANAGEMENT COMPANY

Remuneration payable to the Management Company	7.1	<b>2,904,235</b>	2,899,075
Sales tax payable on remuneration to the Management Company	7.2	<b>377,544</b>	376,880
Federal excise duty payable on remuneration to the Management Company	7.3	<b>4,823,298</b>	4,823,298
		<b><u>8,105,076</u></b>	<b><u>8,099,252</u></b>

- 7.1** As per regulation 61 of the NBFC and Notified Entities Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of the management fee as disclosed in the Offering Document subject to the total expense ratio limit. As per offering document, the Management Company can charge management fee up to 2.5% of average annual net assets of the fund, calculated on daily basis. The effective management fee rate for the period ended March 31, 2024 is 1.79% of average annual net assets calculated on daily basis.
- 7.2** The Sindh Provincial Government 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.
- 7.3** As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company has been applied effective from 13 June 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on 4 September 2013.

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

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

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period up to 30 June 2016 aggregating to Rs. 4.823 million. Had the provision not been made, NAV per unit of the Fund as at 31 March 2024 would have been higher by Re. 0.63 (30 June 2023: Re. 0.63) per unit.

<b>March 31, 2024 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
<b>(Rupees)</b>	

## 8 ACCRUED AND OTHER LIABILITIES

Brokerage payable	<b>16,548</b>	-
Auditors' remuneration	<b>292,238</b>	427,074
Custody fee payable	<b>32,999</b>	5,036
Rating fee payable	<b>117,664</b>	117,664
Professional fees payable	<b>713,884</b>	713,884
CGT Payable	<b>2,861</b>	14,012,395
Other liabilities	<b>4,379,277</b>	4,360,332
	<b><u>5,555,471</u></b>	<b><u>19,636,385</u></b>

## 9 CONTINGENCIES AND COMMITMENTS

There are no other contingencies and commitments as at March 31, 2024.

## 10 TAXATION

- 10.1** The Fund's income is exempt from Income Tax as per clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, 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. Accordingly, no provision has been made in this condensed interim financial statement.
- 10.2** During the year ended 2014, the FBR has issued show cause notices to the Fund under section 122(9) for proceeding u/s 122(5A) of the Income Tax Ordinance, 2001 for amendment of assessment on grounds that exemption from tax claimed under clause 99 of Part-I of the Second Schedule is not as per law. Total tax including Workers' Welfare Fund payable as per amended assessment would be Rs. 7.203 million and Rs 19.001 million for the tax years 2012 and 2013 respectively. Trustee of the Fund had filed a suit in the High Court of Sindh for declaration and permanent injunction for which a stay order had been granted by Sindh High Court. The management expects a favorable outcome and, accordingly, no provision has been recorded in respect of this matter.

## 11 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Related parties include Lakson Investments Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee, Habib Bank AG Zurich being the Custodian, SIZA Services (Private) Limited being the holding company of the Management Company, associated companies of the Management Company, key management personnel, other funds being managed by the Management Company and unit holders holding more than 10% in the units of the Funds as at March 31, 2024. It also includes staff retirement funds of the above related parties / connected persons.

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

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

	March 31, 2024 (Unaudited)	June 30, 2023 (Audited)
<b>11.1 Details of balance with related parties / connected persons for the period ended</b>		
<b>Lakson Investments Limited - Management Company</b>		
Remuneration payable	2,904,235	2,899,075
Sindh Sales Tax on Management Company's remuneration*	377,544	376,880
Federal Excise Duty	4,823,298	4,823,298
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	214,046	198,322
Sindh Sales Tax payable on Trustee remuneration*	27,834	25,780
<b>Habib Bank AG Zurich - Custodian</b>		
Bank deposits	39,783,598	35,000,683
Custody fee payable	32,999	5,036
	<b>March 31, 2024 (Unaudited)</b>	<b>2023 (Audited)</b>
<b>11.2 Details of transaction with related parties / connected persons during the period ended</b>		
<b>Lakson Investments Limited - Management Company</b>		
Remuneration to the Management Company	26,380,449	13,358,118
Sindh Sales Tax on Management Company's remuneration*	3,429,451	1,736,555
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration for the period	1,856,875	1,558,311
Sindh Sales Tax on Trustee remuneration*	241,403	202,580
<b>Habib Bank AG Zurich - Custodian</b>		
Custody charges	704,223	809,267

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

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

	Nine Months Ended March 31, 2024									
	Number of units as at 01 July 2023	Units issued during the year	Refund of capital	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	Bonus units issued during the year	Units redeemed during the year	Balance at the end of the period (Investment at current NAV)
	Number of units					(Rupees)				
Lakson Investments Limited	74,555	109,289	-	-	183,844	13,835,608	20,500,000	-	-	36,815,439
Directors, Chief Executive and their spouse and minors	4,803,275	249,192	-	425,495	4,626,972	891,374,054	49,375,711	-	82,219,178	926,570,138
persons of the Management Company	21,438	35	-	21,472	1	3,978,443	6,671	-	3,948,782	130
<b>Associated companies / undertakings of the Management Company</b>										
Accuray Surgical Limited Employees Contributory Provident Fund	26,495	25,537	-	26,495	25,537	4,916,928	4,950,000	-	5,149,958	5,113,810
Century Insurance Company Limited Employees Contributory Provident Fund Trust	39,994	39,982	-	44,582	35,393	7,421,917	7,750,000	-	8,688,168	7,087,688
Century Insurance Company Limited Employees Gratuity Fund	44,850	43,206	-	44,850	43,206	8,323,150	8,375,000	-	8,717,613	8,652,153
Century Paper & Board Mills Limited ECPFT	425,140	447,004	-	425,140	447,004	78,895,998	86,675,000	-	82,635,151	89,514,468
Century Paper & Board Mills Limited EGF	406,044	421,786	-	406,044	421,786	75,352,142	81,775,000	-	78,923,339	84,464,372
Colgate Palmolive Pakistan Limited ECPFT	393,252	403,560	-	393,252	403,560	72,978,289	78,250,000	-	76,436,982	80,814,536
Colgate Palmolive Pakistan Limited EGF	446,233	484,852	-	446,233	484,852	82,810,297	94,000,000	-	86,734,962	97,093,501
Cyber Internet Services (Pvt.) Ltd. Empl. CPFT	221,384	231,046	-	221,384	231,046	41,083,621	44,800,000	-	43,030,715	46,267,917
Hasanali Karabhai Foundation ECPF Trust	5,761	5,030	-	5,761	5,030	1,069,027	975,000	-	1,119,692	1,007,266
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	1,277	-	-	-	1,277	236,983	-	-	-	255,727
Lakson Investments Limited ECPFT	26,109	31,296	-	28,028	29,378	4,845,270	6,075,000	-	5,450,318	5,883,047
Merit Packaging Limited Employees Contributory Provident Fund Trust	41,754	41,129	-	41,754	41,129	7,748,568	7,975,000	-	8,115,799	8,236,331
Merit Packaging Limited Employees Gratuity Fund	26,819	25,408	-	30,146	22,080	4,976,943	4,925,000	-	5,862,913	4,421,643
Siza Foods Private Limited Employees Contributory Provident Fund Trust	232,885	237,224	-	232,885	237,224	43,217,886	46,000,000	-	45,266,131	47,505,044
Siza Services Private Limited Employees Countributory Provident Fund Trust	19,450	20,636	-	19,450	20,636	3,609,415	4,000,000	-	3,780,478	4,132,371
Sybrid (Private) Limited ECPFT	43,829	44,612	-	43,829	44,612	8,133,608	8,650,000	-	8,519,088	8,933,669

	Nine Months Ended March 31, 2023									
	Number of units as at 01 July 2022	Units issued during the year	Refund of capital	Units redeemed during the year	Number of holdings at the end of the period	Balance as at 01 July 2022	Units issued during the year	Bonus units issued during the year	Units redeemed during the year	Balance at the end of the period (Investment at current NAV)
	Number of units					(Rupees)				
Directors, Chief Executive and their spouse and minors	3,999,071	445	-	6,947	3,992,568	607,400,118	71,825	-	1,214,310	725,074,395
Key management personnel, employees and connected persons of the Management Company	1,518	37,662	-	18,500	20,680	230,487	6,154,514	-	3,218,992	3,755,534
<b>Associated companies / undertakings of the Management Company</b>										
Accuracy Surgicals Limited - Employees Contributory Provident Fund Trust	33,814	93,744	-	100,202	27,357	5,135,921	16,068,190	-	17,194,816	4,968,118
Century Insurance Company Limited - Employees Contributory Provident Fund Trust	40,507	121,728	-	117,384	44,850	6,152,349	20,985,325	-	20,116,746	8,145,081
Century Insurance Company Limited - Employees Gratuity Fund	47,174	132,183	-	139,306	40,051	7,164,970	22,666,115	-	23,891,477	7,273,486
Century Paper & Board Mills Limited - Employees Contributory Provident Fund Trust	462,216	1,331,823	-	1,368,918	425,122	70,203,859	228,744,157	-	235,031,404	77,204,652
Century Paper & Board Mills Limited - Employees Gratuity Fund	414,047	1,236,696	-	1,256,248	394,495	62,887,673	212,399,459	-	215,953,762	71,642,575
Colgate Palmolive (Pakistan) Limited - Employees Contributory Provident Fund Trust	433,221	1,218,952	-	1,263,084	389,090	65,799,964	209,364,246	-	216,733,365	70,661,032
Colgate Palmolive (Pakistan) Limited - Employees Gratuity Fund	481,135	1,420,116	-	1,449,022	452,229	73,077,354	243,915,183	-	248,905,486	82,127,468
Cyber Internet Services (Private) Limited - Employees Contributory Provident Fund Trust	218,744	668,110	-	671,826	215,028	33,223,932	114,768,971	-	115,483,768	39,050,312
GAM Corporation (Private) Limited - Employees Contributory Provident Fund Trust	133,395	377,879	-	390,512	120,763	20,260,802	64,903,244	-	66,997,653	21,931,195
Hasanali Karabhai Foundation - Employees Contributory Provident Fund Trust	6,435	17,783	-	18,457	5,761	977,339	3,060,572	-	3,164,753	1,046,156
Lakson Business Solutions Limited - Employees Contributory Provident Fund Trust	1,277	-	-	-	1,277	193,959	-	-	-	231,913
Lakson Investments Limited	74,555	-	-	-	74,555	11,323,781	-	-	-	13,539,603
Lakson Investments Limited - Employees Contributory Provident Fund Trust	27,293	80,491	-	81,675	26,109	4,145,476	13,830,073	-	14,034,759	4,741,608
Merit Packaging Limited - Employees Contributory Provident Fund Trust	57,024	144,353	-	155,228	46,149	8,661,053	24,762,139	-	26,477,427	8,380,868
Merit Packaging Limited - Employees Gratuity Fund	29,627	83,102	-	87,285	25,444	4,499,868	14,259,271	-	14,981,047	4,620,803
SIZA Foods (Private) Limited - Employees Contributory Provident Fund Trust	120,770	348,004	-	357,768	111,006	18,343,176	59,769,463	-	61,424,053	20,159,384
Siza Services Private Limited - Employees Contributory Provident Fund Trust	24,308	67,730	-	69,933	22,105	3,691,952	11,658,390	-	11,991,856	4,014,434
Sybrid Private Limited - Employees Contributory Provident Fund Trust	47,986	137,856	-	142,049	43,793	7,288,295	23,674,343	-	24,387,097	7,953,015



## 12 TOTAL EXPENSE RATIO

As per the SECP circular vide direction no. 23 dated July 20, 2016 and as referred in Regulations 60 (5) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "Regulations"), Total Expense Ratio (TER) calculated inclusive of Sindh Sales Tax and SECP fee is 3.25% as of March 31, 2024 and this includes 0.43% representing Government levies and SECP fee etc. As per NBFC Regulation the total expense ratio of the Asset Allocation Scheme shall be capped up to 4.5% (excluding government levies).

## 13 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:

	----- (Un-Audited) -----			
	As at 31 March 2024			
	Fair Value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Financial assets classified as fair value through profit or loss				
- Market treasury bills	-	467,526,775	-	467,526,775
- Pakistan investment bonds		521,909,400		521,909,400
- Exchange Traded Funds (Foreign Investments)	452,567,529	-	-	452,567,529
	452,567,529	989,436,175	-	1,442,003,704
	----- (Audited) -----			
	As at 30 June 2023			
	Fair Value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Financial assets classified as fair value through profit or loss				
- Market treasury bills	-	935,556,649	-	935,556,649
- Exchange Traded Funds (Foreign Investments)	459,546,649	-	-	459,546,649
	459,546,649	935,556,649	-	1,395,103,298

#### **14 GENERAL**

14.1 The corresponding figures have been re-arranged wherever necessary

14.2 Figures have been rounded off to the nearest rupee

#### **15. Date of Authorization for Issue**

This condensed interim financial statements were authorized for issue by Board of Directors of the Management Company on April 30, 2024.

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

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**DIRECTOR**



A Lakson Group Company

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