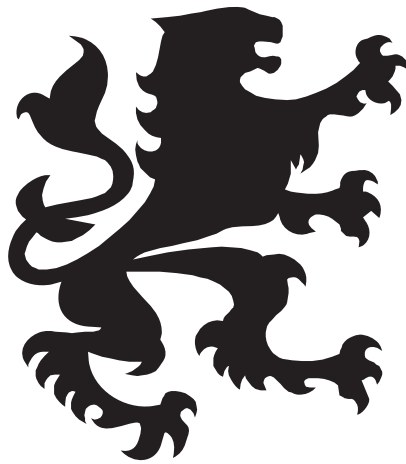


LAKSON ISLAMIC TACTICAL FUND

Half Yearly Report (December 31, 2024)



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

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

Bankers to the Fund

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



Legal Adviser

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

Shariah Advisor

Al Hilal Shariah Advisors

Registrar

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

Distributor

Rabia Fida
BMA Capital Management

Rating

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

LAKSON ISLAMIC TACTICAL FUND
REVIEW REPORT OF THE DIRECTORS' OF THE MANAGEMENT COMPANY
FOR THE PERIOD ENDED DECEMBER 31, 2024

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Islamic Tactical Fund ("LITF") is pleased to submit its review report together with Condensed Interim Financial Information for the period ended December 31, 2024.

Fund Objective

The investment objective of LITF is to provide long-term capital appreciation by exclusively investing in Shari'ah Compliant avenues including equities, fixed income instruments and emerging market securities.

Principal activities

LITF 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, global economic data, commodities prices and supply/demand dynamics. The Fund switches exposure between equities and fixed income based on the outlook of the investments team. Exposure of the Scheme in fixed income securities is managed through duration and yield curve management.

Fund performance

The LITF closed 2QFY25 with a return of 2.90% against the benchmark return of 4.39%, underperformed the benchmark by 1.50%. The fund maintains 20.1% exposure in equities, 50.3% in Sukuk, 28.3% in Cash and 1.3% in Others. Sector allocation is skewed towards Pharmaceuticals (1.3%), Oil & Gas Exploration (2.7%), Construction & Material (5.4%), Fertilizer (1.9%), Oil & Gas Marketing (1.6%) and others (5.1%). The fund size of LITF as of December 31, 2024, is PKR 529.78 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

The quarter ended 4QCY24 marked the end of an exceptional year on the back of economic stability driven by key reforms and strong fiscal management. The country's macro-economic indicators saw a notable improvement with inflation rates under control and improvements in external balances.

During the quarter, inflation averaged to 5.4% down from 9.2% in the previous quarter. This can be mainly attributed to decline in food inflation, lower commodity prices and high base effect. Higher than expected drop in inflation provided the Central Bank ample room for further monetary easing, reducing the policy rate by 450bps to 13%. On the external front, current account recorded a surplus of USD 1.6bn in comparison to a deficit of USD 156 mn during same period last year. This can be mainly attributed to 5% YoY growth in exports versus 3% YoY growth in imports. Additionally, inflows from remittances increase by 27% YoY to USD 9.0bn during the period under review. During 1HFY25 Pakistan recorded a surplus of USD 1.2bn versus a deficit of USD 1.3bn in 1HFY24.

Forex reserves also witnessed continued improvement as SBP reserves increased to USD 11.7bn in Dec-24 as compared to USD 10.7bn in Sep-24.

Fixed Income Market Review

Over the past few months, the government securities market has seen significant yield reductions, driven by SBP's policy rate cuts and excess liquidity. T-Bill yields dropped sharply in October and November, reflecting expectations of policy rate cuts. December's auctions saw a slower pace of yield decline, particularly for longer

tenors. SBP decreased the policy rate by cumulative 450 bps in the quarter taking the policy rate to 13%. Secondary market yields are still hovering lower, indicating market anticipation of further rate cuts in the upcoming MPC.

Equity Market Review

In 2024, the KSE-100 Index saw strong gains, reaching all-time highs in the last quarter, driven by improving macroeconomic indicators, including current account surplus, lower inflation, policy rate cuts and signing of IMF EFF program. The KSE-100 index posted a return of 42% in the last quarter of 2024. While during the year the market returned to 84%. Market activity remained robust, with increasing daily trade volumes and significant local investor participation. Foreign investors were net sellers during the quarter, with a net outflow of USD 165mn, while mutual funds and companies were net buyers with an inflow of USD 163.9mn and USD 40.7mn, respectively.

Sector-wise major contribution came from banks and fertilizers due to higher investor interest in dividend yielding stocks followed by oil and gas exploration due to improved cash collections.

Emerging Market Review

Emerging markets have generally lagged during the quarter, primarily due to a stronger U.S. dollar and persistent geopolitical tensions, including the aftermath of the U.S. election, instability in the Middle East, and disappointing corporate earnings. Chinese equities saw a brief rebound driven by government measures to stimulate economic confidence, such as tax cuts and increased infrastructure spending. However, this momentum faded later as concerns about fiscal spending and consumer demand grew. For the year, the Chinese index posted a return of 12.7%, outperforming India's market, which grew by only 8.2%.

Investors would be closely monitoring the developments in the middle east, policy actions of new US government and Russia Ukraine war. Any trade war would increase uncertainty and would derail the global economic recovery. The sustainability of initial gains of the ceasefire deal in middle east and further progress on this front is crucial for market performance. Development on Russia Ukraine war which has dented Europe's economic recovery also remain a concern.

Future Outlook

In 2024, Pakistan focused on economic consolidation through tight fiscal and monetary policies, supported by the IMF's Extended Fund Facility (EFF) program. These measures have led to positive results, with inflation sharply decreasing from a peak of 28% in January to around 4% in December 2024. The policy rate was reduced significantly from 22% to 13%, helping to lower interest rates and foster a more favorable economic environment. The current account also showed improvement, moving from a deficit of USD 1.4B in 1HFY24 to a surplus of USD 1.2B in 1HFY25, driven by higher remittances and exports. While the IMF's upcoming review in the first quarter of 2025 is crucial for continued progress, however the tax collection shortfall is expected to be a key challenge.

Looking ahead, Pakistan's economic growth is expected to pick up pace in 2025 and 2026, with GDP growth projected to average around 3% in FY25 and 4% in FY26. The revival of growth will be supported by declining interest rates, structural reforms under the IMF program, and a favorable inflation outlook, with inflation expected to remain subdued through 1Q2025 before rising to long term average. Despite these positive developments, the country faces risks from high utility prices and potential fluctuations in international commodity prices or geopolitical tensions. However, with continued external support and a manageable current account deficit, the Pakistani Rupee might not undergo significant depreciation in 2025.

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 19, 2025

لیکسن اسلامک ٹیکٹیکل فنڈ
31 دسمبر 2024ء کو ختم ہونے والی مدت کے لیے
مینیجمنٹ کمپنی کے ڈائریکٹرز کی جائزہ رپورٹ

لیکسن اسلامک ٹیکٹیکل فنڈ ("LITF") کی مینیجمنٹ کمپنی، لیکسن انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز کیلئے 31 دسمبر 2024ء کو ختم ہونے والی مدت کے لیے اپنی جائزہ رپورٹ مع مختصر عبوری مالیاتی معلومات پیش کرنا باعث مسرت ہے۔

فنڈ کا مقصد

لیکسن اسلامک ٹیکٹیکل فنڈ کی سرمایہ کاری کا مقصد، خاص طور پر شریعہ سے مطابقت رکھنے والے ذرائع بشمول ایکویٹیز، فکسڈ انکم انسٹرومنٹس اور ایمرجنگ مارکیٹ سیکیورٹیز میں سرمایہ کاری کرتے ہوئے سرمائے کی قدر میں طویل مدتی اضافہ کرنا ہے۔

نمایاں سرگرمیاں

LITF ایک اوپن اینڈ ایسیٹ ایلوکیشن اسکیم ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں لسٹڈ ہے۔ اس اسکیم کا انتظام وانصرام ایکٹیو انویسٹمنٹ مینیجمنٹ کا طریقہ کار استعمال کرتے ہوئے کیا جاتا ہے جو بڑے اقتصادی عوامل کے تجزیے پر توجہ مرکوز رکھتا ہے مثلاً حکومتی پالیسیز، عالمی اقتصادی ڈیٹا، کموڈٹیز کی قیمتیں اور رسد / طلب کا تحریک۔ اسکیم انویسٹمنٹ ٹیم کی توقعات کی بنیاد پر ایکویٹیز اور فکسڈ انکم میں سرمایہ کاری کا تبادلہ کرتی ہے۔ فکسڈ انکم سیکیورٹیز میں اسکیم کی سرمایہ کاری کا انتظام وانصرام دورانیے اور yield curve مینیجمنٹ کے ذریعے کیا جاتا ہے۔

فنڈ کی کارکردگی

لیکسن اسلامک ٹیکٹیکل فنڈ نے بیچ مارک منافع 4.39% کے مقابلے میں مالی سال 2025ء کی دوسری سہ ماہی کا اختتام 2.90% منافع کے ساتھ کیا، یوں فنڈ نے بیچ مارک کے مقابلے میں 1.50% کمتر کارکردگی کا مظاہرہ کیا۔ فنڈ ایکویٹیز میں 20.1%، صکوک میں 50.3%، کیش میں 28.3% اور دیگر میں 1.3% سرمایہ کاری رکھتا ہے۔ شعبہ جاتی تفویض کا جھکاؤ اس طرح ہے: فارماسیوٹیکلز (1.3%)، آئل اینڈ گیس ایکسپلوریشن (2.7%)، کنسٹرکشن اینڈ میٹیریل (5.4%)، فریٹلائزر (1.9%)، آئل اینڈ گیس مارکیٹنگ (1.6%) اور دیگر (5.1%)۔ 31 دسمبر 2024ء کے مطابق ایل آئی ٹی ایف کا فنڈ حجم 529.78 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

کلینڈر سال 2024 کی چوتھی سہ ماہی میں ختم ہونے والی مدت میں اہم اصلاحات اور مضبوط مالیاتی مینجمنٹ کے سبب آنے والے معاشی استحکام کے تناظر میں ایک غیر معمولی سال کا اختتام ہوا۔ افراط زر کی شرح کنٹرول میں اور بیرونی توازن میں بہتری کے ساتھ ملک کے میکرو اکنامک انڈیکسز میں نمایاں بہتری دیکھی گئی۔

سہ ماہی کے دوران افراط زر کی شرح گزشتہ سہ ماہی کے 9.2 فیصد سے اوسطاً 5.4 فیصد کم رہی۔ اس کی بنیادی وجہ غذائی افراط زر میں کمی، اجناس کی کم قیمتوں اور ہائی بیس انڈیکس کو قرار دیا جاسکتا ہے۔ افراط زر میں توقع سے زیادہ کمی نے مرکزی بینک کو مزید مالیاتی نرمی کی کافی گنجائش فراہم کی، شرح سود کو 450 بی پی ایس کم کر کے 13 فیصد کر دیا گیا۔ بیرونی محاذ پر کرنٹ اکاؤنٹ میں 1.6 ارب ڈالر کا سرپلس ریکارڈ کیا گیا جبکہ گزشتہ سال کے اسی عرصے کے دوران 15 کروڑ 60 لاکھ ڈالر کا خسارہ ہوا تھا۔ اس کی بنیادی وجہ برآمدات میں سال بہ سال 5 فیصد اضافہ جبکہ درآمدات میں سال بہ سال 3 فیصد اضافہ ہے۔ مزید برآں ترسیلات زر کی صورت میں آنے والی رقم سال بہ سال 27 فیصد اضافے کے ساتھ 9.0 ارب ڈالر تک پہنچ گئیں۔ مالی سال 2025ء کی پہلی ششماہی کے دوران پاکستان نے 1.2 ارب ڈالر سرپلس ریکارڈ کیا جبکہ مالی سال 2024ء کی پہلی ششماہی میں 1.3 ارب ڈالر کا خسارہ ہوا تھا۔

زرمبادلہ کے ذخائر میں بھی مسلسل بہتری دیکھی گئی کیونکہ اسٹیٹ بینک کے ذخائر دسمبر 24ء میں بڑھ کر 11 ارب 70 کروڑ ڈالر ہو گئے جو ستمبر 24ء میں 10 ارب 70 کروڑ ڈالر تھے۔

فلسفہ انکم مارکیٹ کا جائزہ

گزشتہ چند ماہ کے دوران اسٹیٹ بینک کی جانب سے شرح سود میں کمی اور اضافی لیکویڈیٹی کی وجہ سے حکومتی سیکورٹیز مارکیٹ میں منافع میں نمایاں کمی دیکھنے میں آئی ہے۔ اکتوبر اور نومبر میں ٹی بلز کے منافع میں تیزی سے کمی آئی، جو شرح سود میں کمی کی توقعات کی عکاسی کرتی ہے۔ دسمبر کی نیلامیوں میں، خاص طور پر طویل مدت کے لئے، منافع میں سست رفتار کمی دیکھی گئی۔ اسٹیٹ بینک نے سہ ماہی کے دوران شرح سود میں مجموعی طور پر 450 بی پی ایس کی کمی کی جس سے پالیسی ریٹ 13 فیصد ہو گیا۔ ثانوی مارکیٹ کے منافع جات اب بھی کم ہو رہے ہیں، جو آئندہ ’ایم پی سی‘ میں شرح سود میں مزید کٹوتی کی توقع کی طرف اشارہ کرتے ہیں۔

ایکویٹی مارکیٹ کا جائزہ

کرنٹ اکاؤنٹ سرپلس، کم افراط زر، شرح سود میں کٹوتی اور آئی ایم ایف کے ای ای ایف پروگرام پر دستخط سمیت میکرو اکنامک اشاریوں میں بہتری کی وجہ سے 2024 میں کے ایس ای 100 انڈیکس میں زبردست اضافہ دیکھا گیا، جو گزشتہ سہ ماہی میں تاریخ کی بلند ترین سطح پر پہنچ گیا۔ 2024 کی آخری سہ ماہی میں کے ایس ای 100 انڈیکس میں 42 فیصد کا منافع ریکارڈ کیا گیا جبکہ سال کے دوران مارکیٹ نے 84 فیصد منافع دیا۔ یومیہ تجارتی حجم میں اضافے اور مقامی سرمایہ کاروں کی نمایاں شرکت کے ساتھ مارکیٹ کی سرگرمی مستحکم رہی۔ سہ ماہی کے دوران غیر ملکی سرمایہ کار 165 ملین ڈالر کے خالص فروخت کنندہ رہے جبکہ میوچل فنڈز اور کمپنیاں بالترتیب 163.9 ملین ڈالر اور 40.7 ملین ڈالر کے خالص خریدار تھے۔ سیکٹر کے لحاظ سے بینکوں اور فریٹلائزرز کی جانب سے اہم حصہ آیا جس کی وجہ ڈیویڈنڈ دینے والے اسٹاکس میں سرمایہ کاروں کی زیادہ دلچسپی تھی، جس کے بعد بہتر نقد وصولیوں کی وجہ سے تیل اور گیس کی تلاش کا سیکٹر رہا۔

ایمرجنگ مارکیٹ کا جائزہ

ایمرجنگ مارکیٹیں سہ ماہی کے دوران بالعموم سست روی کا شکار رہیں، جس کی بنیادی وجہ مضبوط امریکی ڈالر اور مسلسل جغرافیائی۔ سیاسی تناؤ بشمول امریکی انتخابات کے مابعد اثرات، مشرق وسطیٰ میں عدم استحکام اور مایوس کن کارپوریٹ آمدنی رہی، چینی ایکویٹیز میں معاشی اعتماد کو فروغ دینے والے حکومتی اقدامات جیسے ٹیکسوں میں کٹوتی اور بنیادی ڈھانچے کے اخراجات میں اضافے کی وجہ سے ایک مختصر بحالی دیکھی گئی۔ تاہم بعد میں مالیاتی اخراجات اور صارفین کی طلب کے بارے میں خدشات بڑھنے سے یہ رفتار ماند پڑ گئی۔ سال کے لئے چینی انڈیکس نے 12.7 فیصد کا منافع درج کیا، جس نے ہندوستان کی مارکیٹ کو پیچھے چھوڑ دیا، جس میں صرف 8.2 فیصد اضافہ ہوا۔ سرمایہ کار مشرق وسطیٰ میں ہونے والی پیش رفت، نئی امریکی حکومت کے پالیسی اقدامات اور روس یوکرین جنگ پر گہری نظر رکھیں گے۔ کسی بھی تجارتی جنگ سے غیر یقینی صورتحال میں اضافہ ہوگا اور عالمی معیشت کی بحالی متاثر ہوگی۔ مشرق وسطیٰ میں جنگ بندی کے معاہدے کے ابتدائی فوائد کی پائیداری اور اس محاذ پر مزید پیش رفت مارکیٹ کی کارکردگی کے لیے انتہائی اہم ہے۔ روس یوکرین جنگ میں پیش رفت بھی، جس نے یورپ کی معاشی بحالی کو نقصان پہنچایا، تشویش کا باعث ہے۔

مستقبل کا منظر نامہ

2024 میں پاکستان نے آئی ایم ایف کے توسیعی فنڈ سہولت (ای ای ایف ایف) پروگرام کی مدد سے سخت مالی اور زری پالیسیوں کے ذریعے معاشی استحکام پر توجہ مرکوز کی۔ ان اقدامات کے مثبت نتائج سامنے آئے ہیں اور افراط زر کی شرح جنوری 2024 میں 28 فیصد کی بلند ترین سطح سے کم ہو کر دسمبر 2024 میں تقریباً 4 فیصد رہ گئی۔ پالیسی ریٹ کو 22 فیصد سے کم کر کے 13 فیصد کر دیا گیا جس سے شرح سود کو کم کرنے اور زیادہ سازگار معاشی ماحول کو فروغ دینے میں مدد ملی۔ کرنٹ اکاؤنٹ میں بھی بہتری دیکھنے میں آئی اور مالی سال 2024 کی

پہلی ششماہی میں 1.4 ارب ڈالر کے خسارے سے بہتر ہو کر مالی سال 2025 کی پہلی ششماہی میں 1.2 ارب ڈالر کے سرپلس تک پہنچ گیا، جس کی وجہ ترسیلات زر اور برآمدات میں اضافہ ہے۔ اگرچہ 2025 کی پہلی سہ ماہی میں آئی ایم ایف کا اگلا جائزہ مسلسل پیش رفت کے لئے اہم ہے، تاہم ٹیکس وصولیوں میں کمی ایک اہم چیلنج ثابت ہونے کی توقع ہے۔

مستقبل کو مد نظر رکھتے ہوئے 2025 اور 2026 میں پاکستان کی اقتصادی ترقی کی رفتار تیز ہونے کی توقع ہے، مالی سال 2025 میں جی ڈی پی کی شرح نمو اوسطاً 3 فیصد اور مالی سال 26ء میں 4 فیصد کے آس پاس رہنے کا تخمینہ ہے۔ شرح نمو کی بحالی کو شرح سود میں کمی، آئی ایم ایف پروگرام کے تحت ڈھانچا جاتی اصلاحات اور افراط زر کے سازگار منظر نامے سے مدد ملے گی۔ توقع ہے کہ افراط زر کی شرح طویل مدتی اوسط تک بڑھنے سے پہلے 2025 کی پہلی سہ ماہی میں کم رہے گی۔ تمام تر مثبت پیش رفت کے باوجود ملک کو زائد یوٹیلیٹی قیمتوں اور اجناس کی عالمی قیمتوں میں ممکنہ اتار چڑھاؤ یا جیو پالیٹیکل تناؤ کے باعث خطرات کا سامنا ہے۔ تاہم، مسلسل بیرونی مدد اور کرنٹ اکاؤنٹ کے قابل برداشت خسارے کی وجہ سے پاکستانی روپے کو 2025 میں نمایاں کمی کا سامنا نہیں کرنا پڑے گا۔

اظہار تشکر

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

برائے و منجانب بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 19 فروری 2025ء

Head Office:

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TRUSTEE REPORT TO THE UNIT HOLDERS

LAKSON ISLAMIC 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 Islamic 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, 2024 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 20, 2025

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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **LAKSON ISLAMIC TACTICAL FUND** ("the Fund") as at December 31, 2024 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim statement of cash flows and material accounting policy information and other explanatory notes to the condensed interim financial information for the half year then ended (here-in-after referred to as "condensed interim financial information"). Lakson Investments Limited (the "Management Company") is responsible for the preparation and fair presentation of these condensed interim financial statement in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2024 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures for the quarters ended December 31, 2024 and December 31, 2023 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditors' review report is Zulfikar Ali Causer.

KARACHI

DATED: 27 FEB 2025

UDIN: RR2024100670GbMkRcHE




**BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS**

LAKSON ISLAMIC TACTICAL FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2024

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	------(Rupees)-----	
ASSETS			
Bank balances	4	149,786,656	189,620,331
Investments	5	372,750,399	386,324,946
Profit receivable		8,762,974	9,383,970
Dividend receivable		12,302	12,302
Deposits and other receivables		2,692,945	2,681,954
TOTAL ASSETS		534,005,277	588,023,504
LIABILITIES			
Payable to the Management Company	6	2,304,249	2,347,034
Payable to the Trustee		102,618	106,897
Payable to Securities and Exchange Commission of Pakistan		42,344	44,839
Accrued expenses and other liabilities	7	1,393,155	2,070,874
Payable against purchase of investments		385,709	5,010,106
TOTAL LIABILITIES		4,228,075	9,579,750
NET ASSETS		529,777,202	578,443,754
REPRESENTED BY:			
UNIT HOLDERS' FUND (as per statement of movement in unit holders' fund)		529,777,202	578,443,754
CONTINGENCIES AND COMMITMENTS			
	9		
(Number of units)			
Number of units in issue		5,295,170	6,716,388
(Rupees)			
Net assets value per unit		100.0491	86.1242

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 ISLAMIC TACTICAL FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024

		Half year ended		Quarter ended	
		December 31,		December 31,	
		2024	2023	2024	2023
Note		------(Rupees)-----		------(Rupees)-----	
INCOME					

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 ISLAMIC TACTICAL FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024

	Half year ended		Quarter ended	
	December 31,		December 31,	
	2024	2023	2024	2023
	------(Rupees)-----		------(Rupees)-----	
Net income for the period	74,429,668	60,862,921	59,821,968	45,208,322
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>74,429,668</u>	<u>60,862,921</u>	<u>59,821,968</u>	<u>45,208,322</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 ISLAMIC TACTICAL FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half Year Ended December 31,					
	2024			2023		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees)					
Net assets at beginning of the period	617,828,387	(39,384,633)	578,443,754	332,153,273	(42,002,887)	290,150,386
Issuance of 5,269,517 units (2023: 7,501,031 units)						
- Capital value	453,832,951	-	453,832,951	643,044,635	-	643,044,635
- Element of income	51,325,352	-	51,325,352	131,098,096	-	131,098,096
Total proceeds on issuance of units	505,158,303	-	505,158,303	774,142,731	-	774,142,731
Redemption of 6,690,735 units (2023: 6,731,315)						
- Capital value	576,234,226	-	576,234,226	(577,058,837)	-	(577,058,837)
- Element of income	(1,152,569,020)	(51,919,730)	(1,204,488,750)	(48,324,613)	(64,395,674)	(112,720,287)
Total payments on redemption of units	(576,334,794)	(51,919,730)	(628,254,524)	(625,383,450)	(64,395,674)	(689,779,124)
Total comprehensive income for the period	-	74,429,668	74,429,668	-	60,862,920	60,862,920
Net assets as at end of the period	546,651,897	(16,874,695)	529,777,202	480,912,553	(45,535,641)	435,376,913
Accumulated (loss) / undistributed income brought forward:						
- Realized loss		(101,211,567)			(40,744,380)	
- Unrealized gain / (loss)		61,826,934			(1,258,507)	
		(39,384,633)			(42,002,887)	
Accounting income available for distribution:						
Relating to capital gains	18,223,415			-		
Excluding capital gains	4,286,524			(3,532,754)		
	22,509,938			(3,532,754)		
Undistributed loss at end of the period		(16,874,694)			(45,535,641)	
Undistributed (loss) / income carried forward						
- Realized loss		(42,899,201)			(81,241,157)	
- Unrealized gain		26,024,507			35,705,516	
		(16,874,694)			(45,535,641)	
Net assets value per unit at beginning of the period	86.1242			104.8020		
Net assets value per unit at end of the period	100.0491			85.7275		

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 ISLAMIC TACTICAL FUND
CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half year ended	
	2024	2023
	------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	74,429,668	60,862,920
Adjustments for non-cash and other items:		
Capital gain on sale of investments - net	25,607,696	4,495,029
Unrealised appreciation / (diminution) in the fair value of investments classified as 'held for trading' - net	26,024,507	35,705,516
	<u>126,061,872</u>	<u>101,063,465</u>
(Increase) / decrease in assets		
Investments - net	(38,057,656)	(96,756,345)
Profit receivable	620,996	(1,953,747)
Dividend receivable	-	(102)
Deposits and other receivables	(10,991)	(145,067)
	<u>(37,447,652)</u>	<u>(98,855,261)</u>
(Decrease) / increase in liabilities		
Payable to the Management Company	(42,785)	157,224
Payable to the Trustee	(4,280)	15,722
Payable to Securities and Exchange Commission of Pakistan	(2,495)	(28,473)
Payable against purchase of investments	(4,624,397)	8,577,185
Accrued expenses and other liabilities	(677,718)	231,876
	<u>(5,351,675)</u>	<u>8,953,534</u>
Net cash generated from operating activities	<u>83,262,545</u>	<u>11,161,738</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issuance of units	505,158,303	774,142,732
Amount paid against redemption of units	(628,254,524)	(689,779,124)
Net cash (used in) / generated from financing activities	<u>(123,096,221)</u>	<u>84,363,608</u>
Net (decrease) / increase in cash and cash equivalents	<u>(39,833,675)</u>	<u>95,525,346</u>
Cash and cash equivalents at the beginning of the period	<u>189,620,331</u>	<u>185,960,674</u>
Cash and cash equivalents at the end of the period	<u><u>149,786,656</u></u>	<u><u>281,486,020</u></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 ISLAMIC TACTICAL FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The Lakson Islamic Tactical Fund (formerly Lakson Asset Allocation Emerging Markets Fund) (the "Fund") was established under the Trust Deed executed on May 30, 2011 between the 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 by the Securities and Exchange Commission of Pakistan (SECP) on July 07, 2011 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 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 "Shariah Compliant / Islamic Asset Allocation Scheme" as per the Circular 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP) and is authorised to invest in Shariah compliant investments within the limits prescribed in the offering document so as to ensure a riba-free return on investments. All investments of the Fund are as per the guidelines of the Shariah principles provided by the Shariah Advisor of the Fund and comprise of the investments permissible as 'Authorised Investments' under the Trust Deed.

Further, as allowed by SECP and the State Bank of Pakistan, the Fund can invest abroad up to 30% of the aggregated funds mobilized (including foreign currency funds) subject to a maximum limit of USD 15 million. The investments authorized outside Pakistan include exchange traded funds based on equities / debt with exposure in the commodities, index tracker funds tracking different commodities indices, actively managed commodities based funds, equities and debt securities of companies with exposure in commodities, future contracts of different commodities and foreign currency deposits etc.

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

- 1.4 Pakistan Credit Rating Company Limited (PACRA) has maintained the rating of the Management Company of the Fund to the scale 'AM2+' (stable outlook) vide its report dated August 23, 2024.

On May 23, 2024, VIS assigned following rankings to the Fund based on the performance review:

1 Year ranking : MFR 2-Star

3 Year ranking : MFR 3-Star

5 Year ranking : MFR 3-Star

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard 34 (IAS 34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 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.

- 2.2 These condensed interim financial statements 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 June 30, 2024. However, selected explanatory notes are included to explain events and transactions that are significant.

- 2.3 In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that these condensed interim financial statements gives a true and fair view of the state of the Fund's affairs as at December 31, 2024.

2.4 Basis of measurement

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

2.5 Functional and presentation currency

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

2.6 Critical accounting estimates and judgements

The preparation of condensed interim financial statements require 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.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES INFORMATION, SIGNIFICANT ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT POLICIES

- 3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements as at and for the year ended June 30, 2024.
- 3.2 The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial information, the significant judgements made by management in applying the fund's accounting policies and key sources of estimation and uncertainty are the same as those applied to the financial statements as at and for the year ended June 30, 2024.

- 3.4 There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 01, 2024. However, these do not have any material impact on the Fund's financial information and, therefore, have not been detailed in these condensed interim financial information.
- 3.5 There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 01, 2025. However, the new standards, interpretations and amendments to the approved accounting standards will not have any material impact on the Fund's financial information in the period of adoption and, therefore, have not been detailed in these condensed interim financial information.
- 3.6 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, 2024.

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
4	BANK BALANCES	Note	------(Rupees)-----
	Local currency		
	Current account		-
	Saving accounts	4.1	21,393
			189,598,938
			<u>149,786,656</u>
			<u>189,620,331</u>

- 4.1 These carry mark-up at rates ranging from 8% to 18.1% (June 30, 2024: 9% to 18.5%) per annum.

5. INVESTMENTS

At fair value through profit or loss

Listed equity securities	5.1	106,261,622	180,633,907
GOP Ijara Sukuk	5.2	241,380,000	133,537,500
		<u>347,641,622</u>	<u>314,171,407</u>

At amortised cost

Short term Ijara Sukuk	5.3	25,108,777	72,153,539
		<u>372,750,399</u>	<u>386,324,946</u>

5.1 Shares of listed company
At fair value through profit or loss

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

Name of the investee company	Holding as at July 01, 2024	Purchases during the period	Bonus / right shares received during the period	Disposed during the period	Holding as at December 31, 2024	Carrying value before revaluation as of December 31, 2024	Market value as of December 31, 2024 (after revaluation)	Unrealised appreciation / (diminution) - 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											
Meezan Bank Limited	61,924	-	-	46,200	15,724	3,764,168	3,804,736	40,568	1.02%	0.72	0.00%
Faysal Bank Limited	224,930	54,785	-	226,000	53,715	2,830,167	2,604,103	(226,064)	0.70%	0.49	0.00%
						6,594,335	6,408,839	(185,496)	1.02%	0.72	
Fertilizers											
Engro Corporation Limited (5.1.1)	16,879	7,000	-	15,300	8,579	2,818,069	3,820,057	1,001,988	1.02%	0.72	0.00%
Engro Fertilizers Limited (5.1.1)	83,947	17,500	-	72,200	29,247	4,930,174	5,971,945	1,041,771	1.60%	1.13	0.00%
Fauji Fertilizer Bin Qasim Limited	110,402	79,285	-	189,687	-	-	-	-	0.00%	-	0.00%
Fauji Fertilizer Company Limited	-	2,840	-	-	2,840	465,080	1,040,349	575,269	0.28%	0.20	0.00%
						8,213,322	10,832,351	2,619,029	2.63%	1.85	
Automobile Assemblers											
Millat Tractors Limited	3,410	-	-	2,300	1,110	706,049	689,632	(16,417)	0.19%	0.13	0.00%
Chemicals											
Lucky Core Industries Limited	3,022	-	-	144	2,878	2,675,072	3,097,246	422,174	0.83%	0.58	0.00%
Engineering											
Mughal Iron & Steel Industries Limited	20,507	53,495	-	53,890	20,112	1,820,576	1,610,971	(209,605)	0.43%	0.30	0.01%
Pharma & Bio Tech											
The Searl Company (5.1.2)	10	-	-	-	10	571	1,045	474	0.00%	0.00	0.00%
AGP Limited	32,479	16,020	-	31,683	16,816	1,622,665	2,860,402	1,237,737	0.77%	0.54	0.01%
Highnoon Laboratories Limited	5,778	-	-	3,250	2,528	1,803,930	2,321,260	517,330	0.62%	0.44	0.00%
GlaxoSmithKline Pakistan Limited	-	11,623	-	-	11,623	4,351,317	4,613,285	261,968			0.00%
Ferozsans Laboratories Limited	-	7,920	-	-	7,920	2,925,450	2,655,972	(269,478)			0.02%
						10,703,933	12,451,964	1,748,031	1.39%	0.98	

Name of the investee company	Holding as at July 01, 2024	Purchases during the period	Bonus / right shares received during the period	Disposed during the period	Holding as at December 31, 2024	Carrying value before revaluation as of December 31, 2024	Market value as of December 31, 2024 (after revaluation)	Unrealised appreciation / (diminution) - net	Market value as percentage of total investments	Market value as percentage of net assets	% of holding in investee company
	(Number of Shares)					(Rupees)			(-%)		
Cement											
Cherat Cement Company Limited	16,028	-	-	9,700	6,328	1,032,287	1,731,910	699,623	0.46%	0.33	0.00%
Kohat Cement Company Limited	1,002	7,260	-	3,402	4,860	2,069,929	1,882,472	(187,457)	0.51%	0.36	0.00%
D.G. Khan Cement	-	52,735	-	47,078	5,657	499,892	593,532	93,640	0.16%	0.11	0.00%
Pioneer Cement Company Limited	39,508	19,000	-	21,500	37,008	6,252,215	7,440,088	1,187,873	2.00%	1.40	0.02%
Maple Leaf Cement Limited	129,233	110,461	-	121,000	118,694	4,804,798	5,452,802	648,004	1.46%	1.03	0.01%
Lucky Cement Company Limited (5.1.1)	11,201	-	-	6,600	4,601	4,171,865	5,063,354	891,489	1.36%	0.96	0.00%
Fauji Cement Company Limited	219,562	212,319	-	286,000	145,881	3,341,184	5,336,327	1,995,143	1.43%	1.01	0.01%
						22,172,170	27,500,485	5,328,315	7.38%	5.19	
Power Generation & Distribution											
Hub Power Company Limited	84,969	79,000	-	117,000	46,969	6,675,248	6,147,772	(527,476)	1.65%	1.16	0.00%
Engro Powergen Qadirpur Limited	31,315	-	-	31,000	315	8,852	8,417	(435)	0.00%	0.00	0.00%
						6,684,100	6,156,189	(527,911)	1.65%	1.16	
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited (5.1.2)	5,037	6,000	440	6,482	4,995	2,190,614	3,594,452	1,403,838	0.96%	0.68	0.00%
Pakistan Oilfield Limited (5.1.1)	32,248	-	-	32,248	-	-	-	-	0.00%	-	0.00%
Pakistan Petroleum Limited (5.1.1)	95,256	33,740	-	94,000	34,996	4,164,399	7,123,436	2,959,037	1.91%	1.34	0.00%
Oil and Gas Development Company Limited (5.1.1)	77,135	17,592	-	66,000	28,727	3,889,185	6,528,498	2,639,313	1.75%	1.23	0.00%
						10,244,198	17,246,386	7,002,188	4.63%	3.26	
Oil and Gas Marketing Companies											
Attock Petroleum Limited	6,966	-	-	4,650	2,316	894,532	1,284,083	389,551	0.34%	0.24	0.00%
Sui Northern Gas Pipelines Limited	104,255	26,097	-	88,500	41,852	2,711,584	4,684,913	1,973,329	1.26%	0.88	0.01%
Pakistan State Oil Company Limited (5.1.2)	14,702	24,000	-	26,500	12,202	2,182,261	5,377,299	3,195,038	1.44%	1.02	0.00%
						5,788,377	11,346,295	5,557,918	3.04%	2.14	
Food And Personal Care Products											
Fauji Foods Limited	143,164	82,030	-	137,000	88,194	1,051,200	1,581,318	530,118	0.42%	0.30	0.00%
Technology and Communication											
System Limited	19,311	-	-	7,500	11,811	4,940,541	7,339,946	2,399,405	1.97%	1.39	0.00%
Total as at December 31, 2024 (Un-audited)						81,593,873	106,261,622	24,667,749	25.58%	18.00	0.02%
Total as at June 30, 2024 (Audited)						118,221,068	180,633,907	61,037,955	46.76%	0.31	0.08

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

	31/Dec/24 (Number of shares)	30/Jun/24	31/Dec/24 (Rupees)	30/Jun/24
Oil and Gas Development Company Limited	5,000	5,000	1,136,300	676,850
Engro Fertilizers Limited	20,000	20,000	4,083,800	3,324,400
Engro Corporation Limited	-	15,000	-	4,990,650
Lucky Cement Company Limited	4,000	8,000	4,401,960	7,253,840
Pakistan Oilfields Limited	-	5,000	-	2,449,700
Pakistan Petroleum Limited	30,000	300	6,106,500	35,133
	<u>59,000</u>	<u>53,300</u>	<u>15,728,560</u>	<u>18,730,573</u>

5.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance, 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

On June 27, 2018, the Supreme Court of Pakistan passed a judgement whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically. The CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019 and on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund since July 1, 2018 have not been withheld by the investee companies.

As an abundant caution, the Fund has made payments which is equivalent to 5% value of the respective bonus shares, determined on the basis of day-end price on the first day of book closure. These payments have been recorded as part of cost of respective investments.

Through FA 2023, tax on bonus shares has been re-introduced. Earlier, such tax was introduced through FA 2014 and omitted through FA 2018.

FA 2023 re-introduces the above taxation measure by amending the definition of 'income', expanding the scope of 'income from other sources' and introducing a withholding tax provision (i.e., section 236Z) which is in effect from July 1, 2023.

Following are the salient features of these taxation measures:

- Every company will be required to collect 10% tax from each shareholder at the time of issuance of bonus shares. The rate of tax for inactive taxpayers shall be 20%.
- The value for such purpose shall be taken as equivalent of day-end price on the first day of book closure in the case of listed company. In case of unlisted company, the value shall be taken as prescribed. It is expected that necessary Rules will be issued by the Federal Board.
- Such tax will be treated as final tax.
- In case of non-payment of tax by the shareholders, the company is required to dispose of the shares to the extent of tax liability.

As per Finance Act 2023, section 236Z has been reimposed and is liable to deduct 10% tax on bonus shares issued by the companies. Subsequently in the year 2024, tax in the shape of 44 shares of Mari Petroleum Limited have been withheld by the company. Market value of these shares as at December 31, 2024 amounted to Rs. 18,724 (June 30 2024: Rs.Nil) and are included in the Fund's investments in these condensed interim financial statements.

5.2 GOP Ijara Sukuk (Face Value of Rs. 100)

Name of security	Issue date	Date of Maturity	Mark-up rate	Holding as at July 01, 2024	Purchases during the period	Disposed / matured during the period	Holding as at December 31, 2024	Carrying value as at December 31, 2024	Market value as at December 31, 2024	Unrealised appreciation / (diminution)	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
1 Year GOP Ijara Sukuk	24-Jan-24	24-Jan-25	19.50%	15,000	-	-	15,000	73,709,664	74,550,000	840,336	N/A	20.00%	14.07%	0.00%
5 Year GOP Ijara Sukuk	24-Jan-24	24-Jan-29	21.24%	13,200	-	-	13,200	66,000,000	66,000,000	-	N/A	17.71%	12.46%	0.00%
5 Year GOP Ijara Sukuk	30-Apr-24	30-Apr-25	12.90%	-	1,000,000	-	1,000,000	100,313,581	100,830,000	516,419	N/A	27.05%	19.03%	0.00%
Total as at December 31, 2024 (Un-audited)								<u>240,023,245</u>	<u>241,380,000</u>	<u>1,356,755</u>		<u>64.76%</u>	<u>45.56%</u>	<u>0.00%</u>
Total as at June 30, 2024 (Audited)								<u>134,123,405</u>	<u>133,537,500</u>	<u>(585,905)</u>		<u>34.57%</u>	<u>23.09%</u>	<u>0.00%</u>

5.3 Short Term Sukuk Certificates (Face Value of Rs. 1000,000)

At amortised cost

Name of security	Issue date	Date of Maturity	Mark-up rate	Holding as at July 01, 2024	Purchases during the period	Disposed / matured during the period	Holding as at December 31, 2024	Carrying value as at December 31, 2024	Market value as at December 31, 2024	Unrealised appreciation / (diminution)	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
IIL- Sukuk-6M	13-Feb-24	13-Aug-24	6 months KIBOR plus base rate of 0.5%	20	-	20	-	-	-	-	N/A	-	-	-
Pakistan Telecommunication Company Limited - Sukuk-6M	12-Jun-24	12-Dec-24	6 months KIBOR plus base rate of 0.15%	50	-	50	-	-	-	-	N/A	-	-	-
Pakistan Telecommunication Company Limited - Sukuk-6M	19-Dec-24	19-Jun-25	6 months KIBOR plus base rate of 0.15%		25		25	25,000,000	25,108,777	-	N/A	6.74%	4.74%	0.00%
Total as at December 31, 2024 (Un-audited)								25,000,000	25,108,777	-		6.74%	4.74%	0.00%
Total as at June 30, 2024 (Audited)								70,000,000	72,153,539	-		18.68%	12.47%	0.00%

5.3.1 Pakistan Telecommunication Company Limited - Sukuk-6M markup rate is 12.25% including spread

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	------(Rupees)-----	
6 PAYABLE TO MANAGEMENT COMPANY			
Remuneration payable to the Management Company	6.1	891,462	943,978
Sindh Sales tax payable on remuneration to the Management Company	6.2	132,447	122,717
Federal excise duty payable on remuneration to the Management Company	6.3	1,280,339	1,280,339
		<u>2,304,249</u>	<u>2,347,034</u>

- 6.1 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% of average annual net assets of the fund, calculated on daily basis. The effective management fee rate for the period ended December 31, 2024 is 1.01% of average annual net assets calculated on daily basis.
- 6.2 The Sindh Revenue Board has levied Sindh Sales Tax (SST) at the rate of 15% (June 30, 2024: 13%) on the remuneration of management company through Sindh Sales Tax on Services Act, 2011 effective from July 01, 2024.
- 6.3 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, as a matter of abundant caution, the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 1.28 million (June 30, 2024: 1.28 million) ,including SST @ 13%, and is being retained in these condensed interim financial information of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED & SST not been made, the net asset value of the Fund as at September 30, 2024 would have been higher by Re. 0.24 (June 30, 2024: Re.0.19) per unit.

	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	------(Rupees)-----	
7 ACCRUED EXPENSES AND OTHER LIABILITIES		
Charity payable	226,774	354,447
Auditors' remuneration	474,287	438,336
Custodian fee payable	82,737	9,137
Brokerage charges	-	297,441
Fee payable to Shariah Advisor	216,183	457,728
Fee payable to National Clearing Company of Pakistan	393,174	395,811
Withholding tax payable on dividend	-	92,249
Other liabilities	-	25,725
	<u>1,393,155</u>	<u>2,070,874</u>

8 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 3.37% as of December 31, 2024 and this includes 0.47% 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).

9 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at December 31, 2024 (June 30, 2024: None).

10 TAXATION

The Fund's income is exempt from Income Tax as per clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, 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. 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 condensed interim financial statements.

11 EARNING PER UNIT

Earning per unit (EPU) has not been disclosed as in the opinion of management, determination of weighted average number of outstanding units for calculating EPU is not practicable.

12 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED

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

December 31,	June 30,
2024	2024
(Un-audited)	(Audited)
------(Rupees)-----	

12.1 Details of balances with related parties / connected persons for the half year ended

Lakson Investments Limited - Management Company of the Fund

Remuneration payable	<u>891,462</u>	<u>943,978</u>
Sindh Sales Tax on Management Company's remuneration*	<u>132,447</u>	<u>122,717</u>
Federal Excise Duty on Management Company's remuneration*	<u>1,280,339</u>	<u>1,280,339</u>

Central Depository Company of Pakistan Limited - Trustee of the Fund

Remuneration payable	<u>89,373</u>	<u>94,625</u>
Sindh Sales Tax payable Trustee remuneration*	<u>13,245</u>	<u>12,272</u>
Security deposit	<u>100,000</u>	<u>100,000</u>

Habib Bank AG Zurich - Custodian

Bank Deposits	<u>-</u>	<u>-</u>
Custodian fee payable	<u>82,737</u>	<u>9,137</u>

December 31,
2024 2023
(Unaudited)
------(Rupees)-----

12.2 Detail of transaction with related parties / connected persons during the half year ended

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

Remuneration for the period	<u>4,880,197</u>	<u>3,196,934</u>
Sindh sales tax on remuneration of Management Company *	<u>730,757</u>	<u>415,601</u>

	December 31,	
	2024	2023
	(Un-audited)	
	----- (Rupees) -----	
Central Depository Company of Pakistan Limited		
- Trustee		
Remuneration for the period	488,020	319,693
Sindh Sales Tax on Trustee remuneration*	73,076	41,560
Settlement Charges	-	1,434
Habib Bank AG Zurich - Custodian		
Custody charges	73,600	73,600

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

12.3 Details of units held, issued and redeemed by the related parties / connected persons

Lakson Investments Limited

Directors, Chief Executive, their spouse and minors

Associated companies / undertakings of the Management Company

Accuray Surgical Limited Employees Contributory Provident Fund

Century Insurance Co. Ltd., GF

Century Insurance Company Limited Employees Contributory Provident Fund Trust

Century Paper & Board Mills Limited ECPFT

Century Paper & Board Mills Limited EGF

Colgate Palmolive Pakistan Limited ECPFT

Colgate Palmolive Pakistan Limited EGF

Cyber Internet Services (Pvt.) Ltd. Empl. CPFT

Hasanali Karabhai Foundation ECPF Trust

Lakson Business Solutions Limited Employees Contributory Provident Fund Trust

Lakson Investments Limited ECPFT

Merit Packaging Limited Employees Contributory Provident Fund Trust

Merit Packaging Limited Employees Gratuity Fund

Siza Foods Private Limited Employees Contributory Provident Fund Trust

Siza Services Private Limited Employees Contributory Provident Fund Trust

Sybrid (Private) Limited ECPFT

NayaPay (Pvt) Limited Employee Contributory Provident Fund

Half Year Ended December 31, 2024							
-----Number of units-----				-----Rupees-----			
Number of units as at July 01, 2024	Units issued during the period	Units redeemed during the period	Number of units as at December 31, 2024	Balance as at July 01, 2024	Units issued during the period	Units redeemed during the period	Balance as at December 31, 2024
-	-	-	-	-	-	-	-
2,179	-	-	2,179	187,634	-	-	217,972
67,534	49,311	69,800	47,046	5,816,350	4,630,000	6,418,278	4,706,868
113,213	90,156	113,213	90,156	9,750,358	8,700,000	10,697,520	9,020,045
91,424	71,471	91,424	71,471	7,873,785	6,730,000	8,487,447	7,150,614
1,184,580	929,562	1,184,580	929,562	102,021,003	89,700,000	111,298,099	93,001,803
1,139,611	899,469	1,139,611	899,469	98,148,104	86,200,000	106,898,399	89,991,083
1,113,881	817,558	1,113,881	817,558	95,932,085	79,000,000	104,635,439	81,795,967
1,355,748	1,073,474	1,355,748	1,073,474	116,762,672	103,300,000	128,205,321	107,400,135
649,742	546,036	658,803	536,975	55,958,492	52,300,000	61,995,947	53,723,883
14,131	10,456	14,131	10,456	1,217,026	1,000,000	1,323,903	1,046,075
7,727	-	-	7,727	665,473	-	-	773,070
75,600	64,873	77,866	62,608	6,511,009	6,200,000	7,336,939	6,263,880
109,994	86,020	109,994	86,020	9,473,165	8,100,000	10,210,187	8,606,237
60,899	47,258	60,899	47,258	5,244,880	4,450,000	5,647,605	4,728,118
504,072	438,027	528,990	413,109	43,412,820	41,100,000	49,057,116	41,331,188
57,071	48,096	57,071	48,096	4,915,155	4,600,000	5,394,195	4,811,944
114,715	90,268	114,715	90,268	9,879,711	8,500,000	10,647,129	9,031,236
52,177	-	-	52,177	4,493,725	-	-	5,220,289

Period 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
Lakson Investments Limited	-	-	-	-	-	-	-
Directors, Chief Executive, their spouse and minors	1,655	-	1,655	141,897	-	-	173,470
Associated companies / undertakings of the Management Company							
Accuray Surgical Limited Employees Contributory Provident Fund	56,704	95,434	103,421	4,861,060	9,808,179	10,510,084	5,105,653
Century Insurance Co. Ltd., GF	41,839	104,958	82,998	3,586,795	10,833,003	8,497,513	6,686,289
Century Insurance Company Limited Employees Contributory Provident Fund Trust	69,556	144,437	138,878	5,962,898	14,847,943	14,206,176	7,872,146
Century Paper & Board Mills Limited ECPFT	633,244	1,374,758	1,258,061	54,286,434	142,162,082	128,942,288	78,595,385
Century Paper & Board Mills Limited EGF	509,705	1,182,197	1,022,085	43,695,712	121,621,175	104,674,232	70,198,074
Colgate Palmolive Pakistan Limited ECPFT	599,263	1,301,884	1,198,547	51,373,331	134,194,728	122,962,584	73,633,817
Colgate Palmolive Pakistan Limited EGF	591,688	1,360,783	1,182,432	50,723,921	140,340,654	121,306,145	80,701,516
Cyber Internet Services (Pvt.) Ltd. Empl. CPFT	269,968	633,470	537,746	23,143,640	65,560,624	55,061,947	38,325,172
Hasanali Karabhai Foundation ECPF Trust	8,021	16,791	15,956	687,659	1,735,277	1,633,696	928,234
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	6,130	-	-	525,542	-	-	642,476
Lakson Investments Limited ECPFT	56,087	111,098	111,626	4,808,189	11,486,944	11,429,575	5,822,709
Merit Packaging Limited Employees Contributory Provident Fund Trust	77,919	156,515	155,278	6,679,831	16,183,958	15,899,692	8,295,832
Merit Packaging Limited Employees Gratuity Fund	42,266	87,649	83,921	3,623,396	9,065,208	8,592,215	4,820,315
Siza Foods Private Limited Employees Contributory Provident Fund Trust	338,461	739,856	675,663	29,015,393	76,539,304	69,188,129	42,198,898
Siza Services Private Limited Employees Contributory Provident Fund Trust	14,559	42,803	28,940	1,248,098	4,413,940	2,963,067	2,978,765
Sybrid (Private) Limited ECPFT	66,339	148,388	135,763	5,687,094	15,348,680	13,911,780	8,275,610

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 traded in an open market are revalued at the market prices prevailing at the close of trading i.e. period end date. The estimated fair value of all other financial assets and 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 (unadjusted) 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)
- 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 and financial liabilities, including their levels in the fair value hierarchy.

Investments of the Fund carried at fair value are categorised as follows:

Financial assets classified as fair value through profit or loss

Listed equity securities
GOP Ijara Sukuk

----- (Un-audited) -----			
As at December 31, 2024			
Level 1	Level 2	Level 3	Total
----- Rupees -----			

106,261,622	-	-	106,261,622
-	241,380,000	-	241,380,000
106,261,622	241,380,000	-	347,641,622

Financial assets classified as fair value through profit or loss

Listed equity securities
GOP Ijara Sukuk

----- (Audited) -----			
As at June 30, 2024			
Level 1	Level 2	Level 3	Total
----- Rupees -----			

180,633,907	-	-	180,633,907
	133,537,500	-	133,537,500
180,633,907	133,537,500	-	314,171,407

14 GENERAL

- 14.1 The corresponding figures have been re-arranged wherever necessary.
- 14.2 Figures have been rounded off to the nearest Rupee, unless otherwise stated.

15 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information were authorized for issue by Board of Directors of the Management Company on _____.

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR



A Lakson Group Company

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