LAKSON TACTICAL FUND

Annual Report 2025

LAKSON INVESTMENTS

WE MANAGE YOUR MONEY, AS WE MANAGE OUR OWN

CONTENTS

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.

Fund's Information

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

Bankers to the Fund	Allied Bank Limited Bank Alfalah Limited Dubai Islamic Bank Limited Faysal Bank Limited Finca Microfinance Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited JS Bank Limited Mobilink Microfinance Bank Limited National Bank of Pakistan NRSP Microfinance Bank Limited Silk Bank Limited Sindh Bank Limited Telenor Microfinance Bank Limited U Microfinance Bank Limited United Bank Limited
Legal Adviser	Fazleghani Advocates F-72/I, Block 8, KDA-5, Kehkashan, Clifton, Karachi, Pakistan.
Registrar	Lakson Investments Limited Lakson Square Building No.2, Sarwar Shaheed Road, Karachi-74200, Pakistan
Distributor	BMA Capital Management Limited Rabia Fida
Rating	2-Star (One Year) 2-Star (Three Years) 2-Star (Five Years) Fund Performance Ranking AM2+ : Asset Manager Rating by PACRA

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY FOR FOR THE YEAR ENDED JUNE 30, 2025

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Tactical Fund ('LTF' or 'Fund') is pleased to submit its review report together with Condensed Interim Financial Information for the period ended June 30, 2025.

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

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

Fund performance
Lakson Tactical Fund generated an absolute return of 36.92% against the benchmark return of 29.81% in the 4QFY25. The fund outperformed the benchmark by 7.11%. The fund maintains 47% exposure in Tbills, 5% in PIBs, 3% in TFCs/Sukuks, 17% in equities, 28% in cash and 0% in others. Sector allocation is skewed towards Commercial Banks (2.6%), Oil & Gas Exploration (1.7%), Fertilizer (1.5%), Construction & Material (5.4%), Pharmaceuticals (1.4%) and Others (3.9%). The fund size of LTF as of June 2025, is PKR 545.37 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
Following the completion of scheduled program reviews, the government secured USD 2bn in disbursements under the Extended Fund Facility (EFF) and signed a USD 1.4bn Resilience and Sustainability Facility (RSF) arrangement during the year. Reflecting these improvements and the build-up of macroeconomic buffers, Fitch Ratings upgraded Pakistan's sovereign rating to B- from CCC+, citing progress in fiscal consolidation and external financing.

On the external front, the current account posted a surplus of USD 2.1bn, supported by record-high remittances and restrained import growth, even as the trade deficit stood at USD 29.4bn. Workers' remittances reached a historic USD 38.3bn, providing a critical buffer for the external account and helping offset structural pressures from the country's high import bill. Foreign exchange reserves strengthened to USD 14.5bn by year-end, aided by multilateral inflows and IMF support, while the PKR appreciated by 1.4% on average against the USD, reflecting exchange rate stability and disciplined external account management.

The State Bank of Pakistan embarked on a significant easing cycle, reducing the policy rate from 22.0% to 11.0% as inflation fell sharply to an average of 4.49% in FY25, compared to 23.4% the previous year. Softer food prices, a stable currency, and effective policy coordination collectively restored price stability and created the conditions for a cautious economic recovery.

On fiscal side, GDP growth remained subdued at 2.7% due to deteriorating agriculture economics (crops) and soft manufacturing activity. Although agriculture sector recorded a growth of 0.6%, crops segment contracted by 6%+. Growth in manufacturing was 1.3%. Contractionary policies and decrease in interest rates aided in reducing the fiscal deficit to 5.4% vs 6.8% recorded last year. Primary surplus recorded at 2.4% in FY25 vs 0.9% in FY24. Interest expense remains the biggest contributor to total expenditure - accounting for 76% of FBR tax collection of PKR 11.7T (up 26% y/y).

Fixed Income Market Review

The fiscal year commenced with T-Bill yields remaining elevated, supported by a high policy rate of 19.50% in July. Policy rate was subsequently reduced to 17.50% by September and the secondary market yields aligned with the central bank's guidance. Throughout first quarter, demand from institutional investors remained strong. Yields on shorter tenors stayed close to policy rates, with 1-year yields ranging between 15.85% -16%, the 6-months ranged from 16.61% and 3-months ranged at 17.13% at the end of first quarter.

In the second quarter, the Central Bank initiated aggressive monetary easing, reducing the policy rate from 17.50% to 13.00%. This resulted in a notable decline in short-term T-Bill yields, with 1-year instruments trading near 12.05% at the end of the quarter, while longer-duration instruments remained relatively stable, reflecting cautious investor sentiment.

During the third quarter, the Central Bank cut the policy rate by 1%, reducing it to 12%. This led to a further decrease in yields and an uptick in trading activity, as investors rebalanced portfolios in response to the declining interest rate environment.

In the last quarter of the fiscal year, policy rates stabilized at 11.00%. Consequently, T-Bill yields were also adjusted, with 1-year instruments trading around 10.95% - 11.10%.

Through FY25, the 3-year PIB yields fluctuated between a high of 16.58% and a low of 11.15%, averaging 12.74%. The 5-year PIB yields ranged from 15.41% down to 11.40%, averaging 12.80% during the year. Meanwhile, the 10-year PIB started the fiscal year trading at 14.10% and ended at 11.84%, with an average yield of 12.57% for the period.

Equity Market Review

The KSE-100 Index delivered a stellar performance in FY25, surging by 60.1% in PKR terms (57.1% in USD terms) to close at 125,627, up from 78,445 at the end of FY24. This remarkable rally was driven by aggressive monetary easing, improved market liquidity, and the unlocking of fundamental value across key sectors.

FY25 also witnessed record market participation, with the highest-ever trading volumes and the highest traded value since FY21.

The KSE100 exhibits the strongest performance across all asset classes, boasting a FY25 return of 60.1%, significantly outperforming Gold (45.2%), T-Bills (10.9%), DSC (11.8%), Bank Deposits (12.3%), PIBs (12.3%), and USD/PKR (1.95%). Even the historical gains from Gold and T-Bills in recent times have been unable to match the impressive surge of the equity market.

On a sector-wise basis, the most activity during the period was witnessed in E&P, Cement, OGMCs, Banks and Automobile Assemblers posting a trade value of USD 12mn, USD 11mn, USD 10mn, USD 9mn, and USD 9mn, respectively.

Commodities Review

In FY25, the S&P GSCI saw significant volatility. The year opened strong with oil supported by OPEC+ discipline and robust summer demand, while cocoa and coffee surged on supply shortages. However, by October, global growth concerns, a stronger U.S. dollar, and weaker risk sentiment weighed on energy and industrial metals, though precious metals held relatively steady as safe havens.

Momentum returned late in 2024, with refined products, livestock, and cocoa supporting gains, while base metals softened on weaker manufacturing data. Early 2025 was mixed, with gains from firmer energy, precious metals, and cocoa offset by weakness in oil on OPEC+ concerns, before a rebound driven by safe-haven flows into precious metals. The final quarter was subdued, marked by range-bound trading, modest oil-led gains, and broad-based softness that capped the year.

Overall, FY25 underscored energy as the key swing factor, with OPEC+ dynamics and demand expectations driving price moves. Precious metals also benefited from policy and macro uncertainty. Looking ahead, commodity markets are expected to remain volatile, shaped by trade tensions, Middle East instability, the Russia-Ukraine conflict, and climate-driven supply risks, with energy prices likely to stay under pressure.

Future Outlook

In FY25, Pakistan started reaping the benefits of difficult economic decisions taken in previous years. Inflation, although supported by high base effect and softening global commodity prices, started coming down and averaged 4.5% vs. 23.4% in FY24. Due to the receding inflation, SBP has reduced from policy rate from the highs of 22% to 11%. CAD recorded a surplus of USD 2.1B while foreign exchange reserves reached USD 14.5B, in FY25. GDP growth remained muted at 2.7% due to subdued manufacturing and agriculture growth.

Continuation of IMF EFF program is vital to reap full benefits of the economic measures undertaken by the Government. Pakistan has successfully completed a review of EFF program in 2HFY25, the second review of which is due in September 2025. Furthermore, IMF has also approved Resilience and Sustainability Facility (RSF) of USD 1.4B to support climate resilience initiatives. These programs would ensure economic discipline and would unlock the access to global markets.

Despite improving economic indicators, the purchasing power remained suppressed. Higher tax incidence and high inflationary periods in 2022 and 2023 have shrunk the pockets of common people. However, early signs of revival in demand have been witnessed which is largely driven by decreasing interest rates and low inflation.

Moving forward, country is expected to build on the economic stability achieved in FY25. GDP growth is budgeted to be 4.2% supported by revival in agriculture and services sector. However, we believe that growth would be lower than anticipated due to floods. Inflation in 2MFY26 has averaged at 3.5% and would remain subdued in 1H but will pick pace from 2H. Average would hover between 6% to 7% and would largely depend on the impact of floods on food basket. Interest rates are near the bottom of the cycle; however, there is still a room of 50 to 100 bps reduction. We believe that SBP would adopt a cautionary approach and would opt for such decrease only after witnessing the impact of floods on economy and inflation. On external front, Pakistan external obligations stood at ~USD 26B for FY26, same as of last year. Out of the total, USD 16B is expected to be rolled over. Out of the remaining USD 10B, USD 6B is principal and rest is interest rates. Additionally, current account is expected to remain in the range of 0% to 1% of GDP. We believe that the Country would not just be able to honor its external obligations but is also expected to increase foreign exchange reserves to USD 17.5B by Jun-26.

Pakistan remined vulnerable to global commodity prices. Any shocks on that front would disrupt the path of economic recovery. Furthermore, ongoing floods also posed high risk to the economic recovery. Any Geo-political conflicts could also impact path of recovery.

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: September 22, 2025
Karachi

لیکسن ٹیکٹیکل فنڈ

30 جون 2025ء کو ختم ہونے والی مدت کے لیے

مینجمنٹ کمپنی کے ڈائریکٹرز کی جائزہ رپورٹ

لیکسن ٹیکٹیکل فنڈ ("LTF") کی مینجمنٹ کمپنی، لیکسن انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز کیلئے 30 جون 2025ء کو ختم ہونے والی مدت کے لیے اپنی جائزہ رپورٹ مع مختصر عبوری مالیاتی معلومات پیش کرنا باعث مسرت ہے۔

فنڈ کا مقصد

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

نمایاں سرگرمیاں

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

فنڈ کی کارکردگی

لیکسن ٹیکٹیکل فنڈ نے مالی سال 2025 کی چوتھی سہ ماہی میں 29.81% بینچ مارک منافع کے مقابلے میں 36.92% مطلق منافع حاصل کیا۔ فنڈ نے بینچ مارک کے مقابلے میں 7.11% بہتر کارکردگی کا مظاہرہ کیا۔ فنڈ، ٹی بلز میں 47%، PIBs میں 5%، ٹی ایف سیز/صکوک میں 3%، ایکویٹیز میں 17%، کیش میں 28% اور دیگر میں 0% سرمایہ کاری رکھتا ہے۔ شعبہ جاتی تفویض کا جھکاؤ اس طرح ہے: کمرشل بینک (2.6%)، آئل اینڈ گیس ایکسپلوریشن (1.7%)، فرٹیلائزر (1.5%)، کنسٹرکشن اینڈ میٹریل (5.4%)، فارماسیوٹیکلز (1.4%) اور دیگر (3.9%)۔ 30 جون 2025ء کے مطابق LTF کا فنڈ حجم 545.37 ملین روپے ہے۔

فی یونٹ آمدنی (EPU)

فی یونٹ آمدنی (EPU) ظاہر نہیں کی گئی ہے 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

پروگرام کے طے شدہ جائزوں کی تکمیل کے بعد، حکومت نے توسیعی فنڈ کی سہولت (EFF) کے تحت 2 ارب امریکی ڈالر کی ادائیگیاں وصول کیں اور سال کے دوران 1.4 ارب امریکی ڈالر کی ریزیلینس اینڈ سسٹین ایبلٹی فیسیلٹی (RSF) کے معاہدے پر دستخط کیے۔ اس بہتری اور میکرو اکنامک بفرز کی تشکیل کی عکاسی کرتے ہوئے، Fitch Ratings نے مالی استحکام اور بیرونی فنانسنگ میں پیش رفت کا حوالہ دیتے ہوئے پاکستان کی خودمختار درجہ بندی کو +CCC سے -B میں ترقی دے دی ہے۔

بیرونی محاذ پر، کرنٹ اکاؤنٹ میں 2.1 ارب امریکی ڈالر کا سرپلس ریکارڈ کیا گیا، جو ریکارڈ سطح کی ترسیلات زر اور درآمدات میں محدود اضافے کے سبب ممکن ہوا، حالانکہ تجارتی خسارہ 29.4 ارب امریکی ڈالر رہا۔ بیرون ملک سے ترسیلات زر تاریخی طور پر 38.3 ارب امریکی ڈالر تک پہنچ گئیں، جو ایکسٹرنل اکاؤنٹ کے لیے ایک اہم بفر فراہم کرتی ہیں اور ملک کے بھاری درآمدی بل سے پیدا ہونے والے اسٹرکچرل دباؤ کو کم کرنے میں مدد کرتی ہیں۔ غیر ملکی زرمبادلہ کے ذخائر مستحکم ہو کر سال کے آخر تک 14.5 ارب امریکی ڈالر تک جا پہنچے، جو کثیر الجہتی آمدنی اور آئی ایم ایف کی مدد سے ممکن ہوا، جبکہ پاکستانی روپیہ امریکی ڈالر کے مقابلے میں اوسطاً 1.4% مضبوط ہوا، جو زرمبادلہ کی شرح میں استحکام اور ایکسٹرنل اکاؤنٹ کے موثر انتظام کی عکاسی کرتا ہے۔

اسٹیٹ بینک آف پاکستان نے نرمی کے ایک اہم دور کا آغاز کیا، شرح سود کو 22.0% سے 11.0% تک کم کر دیا کیونکہ مہنگائی مالی سال 2025 میں 4.49% کی اوسط تک تیزی سے گری، جبکہ گزشتہ سال یہ 23.4% تھی۔ خوراک کی کم قیمتوں، مستحکم کرنسی اور مؤثر پالیسی رابطہ کاری نے مل کر قیمتوں کو دوبارہ مستحکم کیا اور محتاط اقتصادی بحالی کے لیے موزوں حالات پیدا کیے۔

مالیاتی میدان میں جی ڈی پی کی نمو، زرعی معیشت (فصلوں) میں بگاڑ اور کم صنعتی سرگرمی کی وجہ سے 2.7% کی کمتر شرح پر رہی۔ اگرچہ زراعت کے شعبے میں 0.6% کی نمو ریکارڈ کی گئی، فصلوں کا شعبہ 6% سے زیادہ سکڑ گیا۔ صنعتی نمو 1.3% رہی۔ انحصاری پالیسیوں اور شرح سود میں کمی نے مالیاتی خسارے کو 5.4% تک کم کرنے میں مدد کی، جبکہ گزشتہ سال یہ 6.8% ریکارڈ کیا گیا تھا۔ پرائمری سرپلس مالی سال 2025 میں 2.4% ریکارڈ کیا گیا، جو مالی سال 2024 میں 0.9% تھا۔ سود کا خرچ کل اخراجات میں سب سے بڑا حصہ دار رہا، جو کہ 11.7 ٹریلین روپے کی ایف بی آر کی مجموعی ٹیکس وصولی کا 76% ہے (سال بہ سال 26% اضافہ)۔

فکسڈ انکم مارکیٹ کا جائزہ

مالی سال کا آغاز ٹی بلز کے منافع جات کی بلند سطح کے ساتھ ہوا، جسے جولائی میں 19.50% کی بلند شرح سود سے مدد ملی۔ پالیسی ریٹ کو ستمبر تک 17.50% تک کم کر دیا گیا اور مارکیٹ کے ثانوی منافع جات مرکزی بینک کی رہنمائی کے مطابق ہو گئے۔ پہلی سہ ماہی کے دوران، ادارہ جاتی سرمایہ کاروں کی جانب سے طلب مضبوط رہی۔ مختصر میعاد کے منافع جات پالیسی ریٹ کے قریب رہے، پہلی سہ ماہی کے اختتام پر 1 سال کا منافع 15.85%-16% کے درمیان رہا، 6 ماہ کا منافع 16.61% اور 3 ماہ کا منافع 7.13% رہا۔

دوسری سہ ماہی میں، مرکزی بینک نے جارحانہ مالیاتی نرمی کا آغاز کیا، پالیسی ریٹ کو 17.50% سے 13.00% تک کم کر دیا۔ اس کے نتیجے میں مختصر مدت کے ٹی بلز کے منافع میں نمایاں کمی آئی، 1 سالہ انسٹرومنٹس سہ ماہی کے آخر میں تقریباً 12.05% پر ٹریڈ کر رہے تھے، جبکہ طویل مدتی انسٹرومنٹس نسبتاً مستحکم رہے، جو سرمایہ کاروں کے محتاط جذبات کی عکاسی کرتے ہیں۔

تیسری سہ ماہی کے دوران، مرکزی بینک نے پالیسی ریٹ کو 1% کم کر کے 12% کر دیا۔ اس کے نتیجے میں منافع میں مزید کمی آئی اور تجارتی سرگرمی میں اضافہ ہوا کیونکہ سرمایہ کاروں نے کم ہوتی ہوئی شرح سود کے تناظر میں اپنے پورٹ فولیوز کو دوبارہ متوازن (ری بیلنس) کیا۔

مالی سال کی آخری سہ ماہی میں پالیسی ریٹ 11.00% پر مستحکم ہو گیا۔ نتیجتاً ٹی بلز کے منافع جات میں بھی رد و بدل ہوا، جیسا کہ 1 سالہ انسٹرومنٹس تقریباً 10.95%-11.10% پر ٹریڈ کر رہے تھے۔

مالی سال 2025 کے دوران، 3 سالہ PIB کا منافع 16.58% کی بلند ترین سطح اور 11.15% کی کم ترین سطح کے درمیان متغیر رہا، اوسط منافع 12.74% رہا۔ 5 سالہ PIB کا منافع 15.41% اور 11.40% کے مابین رہا، سال کے دوران اوسط 12.80% رہی۔ دریں اثنا 10 سالہ PIB نے مالی سال کا آغاز 14.10% پر کیا اور اختتام 11.84% پر ہوا، سال بھر کے لیے اوسط منافع 12.57% رہا۔

ایکویٹی مارکیٹ کا جائزہ

کے ایس ای-100 انڈیکس نے مالی سال 2025 میں شاندار کارکردگی کا مظاہرہ کیا، جو کہ پاکستانی روپے میں 60.1% (USD میں 57.1%) کے اضافے کے ساتھ 125,627 پر بند ہوا، جو کہ مالی سال 2024 کے اختتام پر 78,445 تھا۔ یہ شاندار اضافہ مالیاتی نرمی کی جارحانہ پالیسی، بہتر مارکیٹ لیکویڈیٹی اور اہم شعبوں میں بنیادی قدر و قیمت کی راہ کھلنے کی وجہ سے ہوا۔

مالی سال 2025 میں مارکیٹ میں ریکارڈ شراکت بھی دیکھی گئی، جس میں سب سے زیادہ تجارتی حجم اور مالی سال 2021 کے بعد سب سے زیادہ تجارتی مالیت شامل تھی۔

کے ایس ای-100 نے تمام اثاثہ جات کے مقابلے میں سب سے مضبوط کارکردگی کا مظاہرہ کیا، جس کا مالی سال 2025 کا منافع

60.1% ہے، جوکہ سونے (45.2%)، ٹی بلز (10.9%)، ڈی ایس سی (11.8%)، بینک ڈپازٹس (12.3%)، پی آئی بیز (12.3%) اور امریکی ڈالر/پاکستانی روپیہ (1.95%) سے نمایاں طور پر بہتر ہے۔ گزشتہ کچھ عرصے کے دوران سونے اور ٹی بلز سے حاصل شدہ تاریخی منافع بھی ایکویٹی مارکیٹ کے اس متاثر کن اضافے کا مقابلہ نہیں کر پایا۔
شعبہ وار بنیاد پر، اس دوران سب سے زیادہ سرگرمی E&P، سیمنٹ، آئل اینڈ گیس مارکیٹنگ کمپنیز، بینکوں اور آٹوموبائل اسمبلرز میں دیکھی گئی، جن کی ٹریڈنگ ویلیو بالترتیب 12 ملین ڈالر، 11 ملین ڈالر، 10 ملین ڈالر، 9 ملین ڈالر اور 9 ملین ڈالر رہی۔

اجناس کا جائزہ

مالی سال 2025 میں S&P GSCI میں نمایاں عدم استحکام دیکھا گیا۔ سال کی شروعات مستحکم طور پر ہوئی، جہاں تیل کو OPEC+ کے ڈسپلن اور موسم گرما کی مضبوط طلب سے مدد حاصل ہوئی جبکہ کوکو اور کافی کی قیمتیں رسد کی کمی کی وجہ سے بڑھ گئیں۔ تاہم، اکتوبر تک عالمی ترقی کے خدشات، مضبوط امریکی ڈالر اور کمزور رسک سینٹی منٹ نے توانائی اور صنعتی دھاتوں پر دباؤ ڈالنا شروع کر دیا، اگرچہ قیمتی دھاتیں محفوظ سرمایہ کاری کے ذرائع کے طور پر نسبتاً مستحکم رہیں۔
2024 کے اواخر میں رفتار لوٹ آئی، جب ریفائنڈ مصنوعات، مویشیوں اور کوکو کی بدولت منافع جات بڑھے، جبکہ بنیادی دھاتیں خراب پیداواری اعداد و شمار کی وجہ سے سستی ہو گئیں۔ ابتدائی 2025 ملا جلا رہا، جہاں مستحکم توانائی، قیمتی دھاتوں اور کوکو سے حاصل ہونے والے فوائد کو OPEC+ کے خدشات کی وجہ سے تیل کے نرخوں میں کمی نے متوازن کر دیا، اس کے بعد قیمتی دھاتوں کی طرف محفوظ سرمایہ کاری کے بہاؤ کی وجہ سے بحالی ہوئی۔ آخری سہ ماہی میں خاموشی رہی، جب مخصوص حد کے اندر تجارت، تیل سے جڑے معمولی منافع اور وسیع پیمانے پر کمزوری سال کے اختتام پر چھا گئی۔
مجموعی طور پر مالی سال 2025 نے توانائی کو کلیدی تغیر پذیر عنصر کے طور پر اجاگر کیا، جہاں OPEC+ کی حرکیات اور طلب کی توقعات نے قیمتوں کو متحرک رکھا۔ قیمتی دھاتوں نے بھی پالیسی اور بڑے پیمانے پر بے یقینی سے فائدہ اٹھایا۔ آگے دیکھتے ہوئے کہا جا سکتا ہے کہ اجناس کی منڈیاں متوقع طور پر غیر مستحکم رہیں گی، جو تجارتی تنازعات، مشرق وسطی کے عدم استحکام، روس-یوکرین تنازع اور رسد کے لیے موسمی تبدیلیوں سے جڑے خطرات سے متاثر ہوں گی، جبکہ توانائی کی قیمتوں کے دباؤ میں رہنے کی توقع ہے۔

مستقبل کا منظر نامہ

مالی سال 2025 میں، پاکستان نے گزشتہ سالوں میں کیے گئے مشکل اقتصادی فیصلوں کے فوائد حاصل کرنا شروع کر دیے۔ افراط زر، اگرچہ ہائی بیس ایفیکٹ کے اثر اور اشیاء کی عالمی قیمتوں میں تخفیف کی وجہ سے کم ہونا شروع ہوا اور اوسطاً 4.5% رہا جبکہ مالی سال 2024 میں یہ 23.4% تھا۔ افراط زر میں کمی کی وجہ سے اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ کو 22% کی بلند سطح سے 11% تک کم کر

دیا۔ مالی سال 2025 میں CAD نے 2.1 بلین امریکی ڈالر کا سرپلس ریکارڈ کیا جبکہ غیر ملکی زرمبادلہ کے ذخائر 14.5 بلین امریکی ڈالر تک پہنچ گئے۔ جی ڈی پی کی نمو %2.7 تک محدود رہی جس کا سبب صنعتی اور زرعی نمو کا ماند پڑ جانا تھا۔ آئی ایم ایف کے ای ایف ایف پروگرام کا تسلسل حکومت کی جانب سے کیے گئے اقتصادی اقدامات کے مکمل فوائد حاصل کرنے کے لیے نہایت اہم ہے۔ پاکستان نے مالی سال 2025 کی دوسری ششماہی میں ای ایف ایف پروگرام کا جائزہ کامیابی سے مکمل کرلیا ہے، جس کا دوسرا جائزہ ستمبر 2025 میں متوقع ہے۔ مزید برآں، آئی ایم ایف نے موسمیاتی لچک کے اقدامات کی معاونت کے لیے 1.4 بلین امریکی ڈالر کی ریزیلیئنس اینڈ سسٹین ایبلٹی فیسلٹی (RSF) کی بھی منظوری دی ہے۔ یہ پروگرام اقتصادی نظم وضبط کو یقینی بنائیں گے اور عالمی مارکیٹوں تک رسائی کو ممکن بنائیں گے۔

اقتصادی اشاریوں میں بہتری کے باوجود قوت خرید دباؤ میں رہی۔ 2022 اور 2023 میں زیادہ ٹیکس اور بلند افراط زر کے باعث عام لوگوں کی جیبیں سکڑ گئی تھیں۔ تاہم، طلب میں بحالی کے ابتدائی آثار دیکھے گئے ہیں، جس کی بڑی وجوہات میں گھٹتی ہوئی شرح سود اور افراط زر میں کمی شامل ہیں۔

آگے بڑھتے ہوئے، توقع کی جاتی ہے کہ ملک مالی سال 2025ء میں حاصل کردہ اقتصادی استحکام کے بل پر مزید ترقی کرے گا۔ جی ڈی پی کی نمو %4.2 ہونے کی توقع ہے جو زراعت اور خدمات کے شعبے میں بحالی کی معاونت سے ہوگی۔ تاہم، ہمارا خیال ہے کہ سیلاب کی وجہ سے نمو توقع سے کم ہوگی۔ مالی سال 2026 کے دوسرے مہینے میں افراط زر کی اوسط %3.5 رہی ہے اور یہ پہلی ششماہی میں کم رہے گی لیکن دوسری ششماہی سے تیز ہوجائے گی۔ اوسط %6 سے %7 کے درمیان رہے گی اور یہ بنیادی طور پر اشیائے خوراک پر سیلاب کے اثرات پر منحصر ہوگی۔ سود کی شرحیں سائیکل کے نچلے حصے کے قریب ہیں؛ تاہم، 50 سے 100 بیسس پوائنٹس کی کمی کا ابھی بھی امکان ہے۔ ہمارا خیال ہے کہ اسٹیٹ بینک آف پاکستان محتاط رویہ اپنائے گا اور صرف سیلاب کے اثرات کو دیکھنے کے بعد ایسی کمی کا انتخاب کرے گا۔ بیرونی محاذ پر، پاکستان کی بیرونی ذمہ داریاں مالی سال 2026 کے لیے تقریباً 26 بلین امریکی ڈالر پر برقرار ہیں، جو گزشتہ سال کی طرح ہیں۔ توقع ہے کہ ان میں سے 16 بلین امریکی ڈالر رول اوور ہوجائے گا، باقی 10 بلین امریکی ڈالر میں سے 6 بلین امریکی ڈالر اصل رقم ہے اور باقی سود ہے۔ اس کے علاوہ کرنٹ اکاؤنٹ کے جی ڈی پی کے %0 سے %1 کے درمیان رہنے کی توقع ہے۔ ہمارا خیال ہے کہ ملک نہ صرف اپنی بیرونی ذمہ داریوں کو پورا کرنے میں کامیاب ہوگا بلکہ جون 2026 تک غیر ملکی زرمبادلہ کے ذخائر کے 17.5 بلین امریکی ڈالر تک بڑھ جانے کی توقع بھی ہے۔

پاکستان عالمی اشیاء کی قیمتوں کے حوالے سے حساس رہا ہے۔ اس محاذ پر کسی بھی جھٹکے سے اقتصادی بحالی کا راستہ متاثر ہوسکتا ہے۔ مزید برآں، حالیہ سیلاب بھی اقتصادی بحالی کے لیے بڑا خطرہ بن سکتا ہے۔ کسی جغرافیائی۔ سیاسی تنازع سے بھی بحالی کے معاملے پر اثر پڑ سکتا ہے۔

اظہارِ تشکر

بورڈ اپنے قابلِ قدر سرمایہ کاروں، سیکیورٹیز 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

چیف ایگزیکٹو آفیسر	ڈائریکٹر

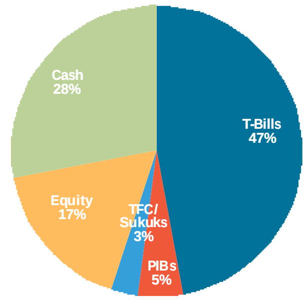
تاریخ: 22 ستمبر 2025ء

REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2025

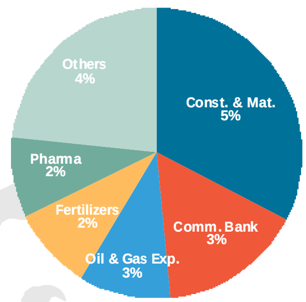
Fund Facts

Fund Type	Open-End
Category	Asset Allocation Fund
Net Assets (PKR Mil.)	545.37
NAV (30.06.2025)	91.7
Pricing Mechanism	Forward Day
Trustee	CDC Pakistan Limited
Auditor	BDO Ebrahim & co.
Management Fee	Upto 2% effective from Dec 20,2021. (Current 2%)
Front End Load	2.50%
Back End Load	None
Launch Date	October 11, 2011
Benchmark	Weighted average daily return of KSE-30 Index, 6M KIBOR & DBIQ Optimum Yield Diversified Commodity Index excess returns based on the Scheme's actual proportion in equity, debt and commodities
Dealing Days	Mon - Fri
Cut-Off Time	04:00 PM
Asset Manager Rating	AM2+ by PACRA (25.Aug.2023)
Risk Profile	High Risk

Asset Allocation



Sectorwise Exposure



Fund Performance	LTF	Benchmark
FY25 - YTD	36.92%	29.81%
June-25	1.25%	1.48%
2 Months	11.24%	3.33%
3 Months	11.52%	3.32%
6 Months	13.76%	6.28%
12 Months	36.92%	29.81%
CY25-YTD	13.78%	6.33%
3 Years	100.81%	121.70%
5 Years	119.34%	173.28%
Since Inception	162.33%	254.55%

the benchmark of the fund was changed in September 2016

Investment Committee

Babar Ali Lakhani	Chief Executive Officer
Kashif Mustafa	Executive Direcotr & COO
Mustafa O. Pasha, CFA	Chief Investment Officer
Hassan Bin Nasir	
Talha Siddiqui	
Ahsan Ali, CFA	

Investment Objective

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

The LTF achieved its investment objective by investing in a mix of risk-free T-Bills, PIBs, equities and Equities. The debt component provides investors with long term capital protection; whereas the equity portion provides investor's exposures to a fundamentally attractive market that is characterized by strong earnings growth and cheap valuations.

Investment Strategy

The debt component of the LTF portfolio was constructed by investing in low risk options, where marked to market volatility did not chip away at returns. The fund focused exposure in Bank/DFI/Daily accrual placements over various tenures, supplemented with corporate bonds, where the yield was comfortably above par. Equity exposure of the Fund was determined by carrying out an analysis of the prevalent price to earnings (PE) ratio or multiple of the KSE-30 Index. An increase in the PE ratio will lead to a reduction in equity exposure and vice versa. The balance will remain invested in high quality fixed income instruments of varying duration.

Economic Review

Following the completion of scheduled program reviews, the government secured USD 2bn in disbursements under the Extended Fund Facility (EFF) and signed a USD 1.4bn Resilience and Sustainability Facility (RSF) arrangement during the year. Reflecting these improvements and the build-up of macroeconomic buffers, Fitch Ratings upgraded Pakistan's sovereign rating to B- from CCC+, citing progress in fiscal consolidation and external financing.

On the external front, the current account posted a surplus of USD 2.1bn, supported by record-high remittances and restrained import growth, even as the trade deficit stood at USD 29.4bn. Workers' remittances reached a historic USD 38.3bn, providing a critical buffer for the external account and helping offset structural pressures from the country's high import bill. Foreign exchange reserves strengthened to USD 14.5bn by year-end, aided by multilateral inflows and IMF support, while the PKR appreciated by 1.4% on average against the USD, reflecting exchange rate stability and disciplined external account management.

The State Bank of Pakistan embarked on a significant easing cycle, reducing the policy rate from 22.0% to 11.0% as inflation fell sharply to an average of 4.49% in FY25, compared to 23.4% the previous year. Softer food prices, a stable currency, and effective policy coordination collectively restored price stability and created the conditions for a cautious economic recovery.

On fiscal side, GDP growth remained subdued at 2.7% due to deteriorating agriculture economics (crops) and soft manufacturing activity. Although agriculture sector recorded a growth of 0.6%, crops segment contracted by 6%+. Growth in manufacturing was 1.3%. Contractionary policies and decrease in interest rates aided in reducing the fiscal deficit to 5.4% vs 6.8% recorded last year. Primary surplus recorded at 2.4% in FY25 vs 0.9% in FY24. Interest expense remains the biggest contributor to total expenditure - accounting for 76% of FBR tax collection of PKR 11.7T (up 26% y/y).

Equity Market Review

The KSE-100 Index delivered a stellar performance in FY25, surging by 60.1% in PKR terms (57.1% in USD terms) to close at 125,627, up from 78,445 at the end of FY24. This remarkable rally was driven by aggressive monetary easing, improved market liquidity, and the unlocking of fundamental value across key sectors.

FY25 also witnessed record market participation, with the highest-ever trading volumes and the highest traded value since FY21.

The KSE100 exhibits the strongest performance across all asset classes, boasting a FY25 return of 60.1%, significantly outperforming Gold (45.2%), T-Bills (10.9%), DSC (11.8%), Bank Deposits (12.3%), PIBs (12.3%), and USD/PKR (1.95%). Even the historical gains from Gold and T-Bills in recent times have been unable to match the impressive surge of the equity market.

On a sector-wise basis, the most activity during the period was witnessed in E&P, Cement, OGMCs, Banks and Automobile Assemblers posting a trade value of USD 12mn, USD 11mn, USD 10mn, USD 9mn, and USD 9mn, respectively.

Commodities Review

In FY25, the S&P GSCI saw significant volatility. The year opened strong with oil supported by OPEC+ discipline and robust summer demand, while cocoa and coffee surged on supply shortages. However, by October, global growth concerns, a stronger U.S. dollar, and weaker risk sentiment weighed on energy and industrial metals, though precious metals held relatively steady as safe havens.

Momentum returned late in 2024, with refined products, livestock, and cocoa supporting gains, while base metals softened on weaker manufacturing data. Early 2025 was mixed, with gains from firmer energy, precious metals, and cocoa offset by weakness in oil on OPEC+ concerns, before a rebound driven by safe-haven flows into precious metals. The final quarter was subdued, marked by range-bound trading, modest oil-led gains, and broad-based softness that capped the year.

Overall, FY25 underscored energy as the key swing factor, with OPEC+ dynamics and demand expectations driving price moves. Precious metals also benefited from policy and macro uncertainty.

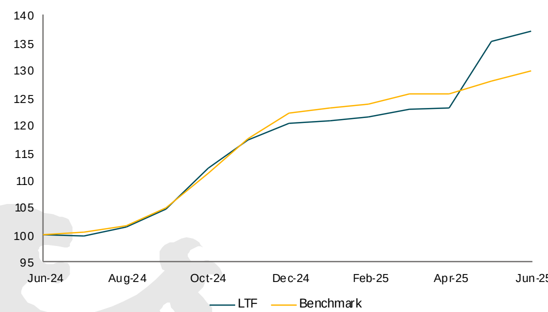
Looking ahead, commodity markets are expected to remain volatile, shaped by trade tensions, Middle East instability, the Russia-Ukraine conflict, and climate-driven supply risks, with energy prices likely to stay under pressure.

Fund Performance

Lakson Tactical Fund generated an absolute return of 36.92% against the benchmark return of 29.81% in the 3QFY25. The fund outperformed the benchmark by 7.11%. The fund maintains 47% exposure in Tbills, 5% in PIBs, 3% in TFCs/Sukuks, 17% in equities, 28% in cash and 0% in others. Sector allocation is skewed towards Commercial Banks (2.6%), Oil & Gas Exploration (1.7%), Fertilizer (1.5%), Construction & Material (5.4%), Pharmaceuticals (1.4%) and Others (3.9%). The fund size of LTF as of June 2025, is PKR 545.37 mln.

Performance Table	FY25	FY24
Net Assets - Beginning (PKR Mil.)	601.82	311.5600
Net Assets - Ending (PKR Mil.)	545.37	601.8200
Highest Offer Price (PKR)	128.3381	129.6009
Lowest Offer Price (PKR)	93.1869	93.6721
Highest Redemption Price (PKR)	124.8061	126.0341
Lowest Redemption Price (PKR)	90.6223	91.0941
Beginning NAV - Ex-Div. (PKR)	91.2639	91.2265
Interim Distributions (PKR)	33.4834	34.3554
Final Distribution (PKR)	-	-
Ending NAV - Ex-Div. (PKR)	91.2639	91.5451
Return	36.92%	38.18%
Net Income / (Loss) (PKR Mil.)	193	131.99

LTF vs. Benchmark



Distributions	FY25	FY24
Interim Distributions (PKR)	33.4834	34.3554
Final Distribution	-	-
NAV before Distribution	91.2639	125.5820
NAV after Distribution	124.7473	91.2266
Distribution Date	26-Jun-25	23-Jun-24

Income Distribution

The Chief Executive Officer under the authority from Board of Directors of the Management Company declared the interim payouts of PKR 34.3554 per unit (34.3554% of face value of PKR 100/-) amounting to PKR 20.3273 million in cash during the year ended June 30, 2024.

Future Outlook

In FY25, Pakistan started reaping the benefits of difficult economic decisions taken in previous years. Inflation, although supported by high base effect and softening global commodity prices, started coming down and averaged 4.5% vs. 23.4% in FY24. Due to the receding inflation, SBP has reduced from policy rate from the highs of 22% to 11%. CAD recorded a surplus of USD 2.1B while foreign exchange reserves reached USD 14.5B, in FY25. GDP growth remained muted at 2.7% due to subdued manufacturing and agriculture growth.

Continuation of IMF EFF program is vital to reap full benefits of the economic measures undertaken by the Government. Pakistan has successfully completed a review of EFF program in 2HFY25, the second review of which is due in September 2025. Furthermore, IMF has also approved Resilience and Sustainability Facility (RSF) of USD 1.4B to support climate resilience initiatives. These programs would ensure economic discipline and would unlock the access to global markets.

Despite improving economic indicators, the purchasing power remained suppressed. Higher tax incidence and high inflationary periods in 2022 and 2023 have shrunk the pockets of common people. However, early signs of revival in demand have been witnessed which is largely driven by decreasing interest rates and low inflation.

Moving forward, country is expected to build on the economic stability achieved in FY25. GDP growth is budgeted to be 4.2% supported by revival in agriculture and services sector. However, we believe that growth would be lower than anticipated due to floods. Inflation in 2MFY26 has averaged at 3.5% and would remain subdued in 1H but will pick pace from 2H. Average would hover between 6% to

7% and would largely depend on the impact of floods on food basket. Interest rates are near the bottom of the cycle; however, there is still a room of 50 to 100 bps reduction. We believe that SBP would adopt a cautionary approach and would opt for such decrease only after witnessing the impact of floods on economy and inflation. On external front, Pakistan external obligations stood at ~USD 26B for FY26, same as of last year. Out of the total, USD 16B is expected to be rolled over. Out of the remaining USD 10B, USD 6B is principal and rest is interest rates. Additionally, current account is expected to remain in the range of 0% to 1% of GDP. We believe that the Country would not just be able to honor its external obligations but is also expected to increase foreign exchange reserves to USD 17.5B by Jun-26.

Pakistan remined vulnerable to global commodity prices. Any shocks on that front would disrupt the path of economic recovery. Furthermore, ongoing floods also posed high risk to the economic recovery. Any Geo-political conflicts could also impact path of recovery.

Circumstances Materially Affecting Interests of Unit Holders

The Pakistan Credit Rating Agency Limited ('PACRA') has maintained the asset manager rating of the Management Company at "AM2+". The VIS Credit Rating Company Limited has assigned the one-year, three-year & five-year performance ranking of "2-Star" to the LTF Fund.

Other Disclosures

Lakson Investments Limited or any of its delegates did not receive any soft commission from its broker(s) or dealer(s).

There was no unit split undertaken during the year.

As of June 30, 2025 the LTF does not employ any leverage.

Breakdown of Unit Holding by Size

Units Range	No. of Clients	Units Held
Holding upto 100	7	307
101 - 500	7	1,085
501 - 1,000		
1,001 - 5,000		
5,001 - 10,000	2	17,544
10,001 - 50,000	3	113,992
50,001 - 100,000	8	619,602
100,001 - 500,000	2	560,901
500,001 - 1,000,000	4	3,442,580
1,000,001 - 5,000,000	1	1,191,461
5,000,001 - above	-	-
	34	**5,947,471**

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

LAKSON TACTICAL FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Lakson Tactical Fund (the Fund) are of the opinion that Lakson Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2025 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.

Abdul Samad
Chief Operating Officer
Central Depository Company of Pakistan Limited

Karachi: September 22, 2025

YOUSUF ADIL
PACE ALIGNED ...

Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
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INDEPENDENT AUDITOR'S REPORT

To The Unit Holders of Lakson Tactical Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Lakson Tactical Fund** (the Fund), which comprise the statement of assets and liabilities as at **June 30, 2025**, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and statement of cash flows for the year then ended and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2025, and of its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund and Management Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* as adopted by the Institute of Chartered Accountants of Pakistan together with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

S. No.	Key audit matter	How our audit addresses the key audit matter
1.	**Existence and Valuation of investments** The investments represent 71.61% of the total assets amounted to Rs. 395 million of the fund at the year end. In view of the significant amount of total investments in relation to determination of net asset value of the fund, we have considered these to be a key audit matter. Refer to notes 4.1 and 6 of the financials statements of the fund for the year ended 30 June 2025 in relation to the above referred investments.	We performed a combination of audit procedures focusing on the existence and valuation of investments. Our key procedure included the following: • We have reviewed the processes and key controls relating to existence and valuation and evaluated the design and implementation of such controls. • We checked existence of investments from the Investor Portfolio Services (IPS) account statement and CDC statements.

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Chartered Accountants

S. No.	Key audit matter	How our audit addresses the key audit matter
		• We have recalculated provision on non-performing asset in accordance with the requirements of applicable regulations. • We have re-performed valuation on sample basis to assess that investments are carried as per the valuation methodology specified in the accounting policy of the Fund. • Evaluated the adequacy of the overall disclosures in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management of Management Company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have not been provided with the other information yet and therefore, we have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance of Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance of the Management Company are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Yousuf Adil
Chartered Accountants

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

- Conclude on the appropriateness of Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Those Charged with Governance of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Those Charged with Governance of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Those Charged with Governance of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accompanying financial statements have been prepared, in all material respects, in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

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

Yousuf Adil

Chartered Accountants

Place: Karachi
Date: September 26, 2025
UDIN: AR202510099i6hF5nud4

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LAKSON TACTICAL FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2025

	Note	June 30, 2025	June 30, 2024
		(Rupees)	
ASSETS			
Bank balances	5	**151,641,082**	128,347,168
Investments	6	**395,375,187**	477,840,747
Profit accrued and dividend receivable	7	**1,460,882**	3,599,297
Deposits and other receivables	8	**3,634,576**	3,612,141
TOTAL ASSETS		**552,111,727**	613,399,353
LIABILITIES			
Payable to the Management Company	9	**3,143,046**	3,046,354
Payable to the Trustee	10	**119,984**	110,319
Payable to Securities and Exchange Commission of Pakistan	11	**49,614**	46,372
Accrued expenses and other liabilities	12	**3,429,709**	1,914,244
Payable against purchase of securities		**-**	6,457,369
TOTAL LIABILITIES		**6,742,353**	11,574,658
NET ASSETS		**545,369,374**	601,824,695
UNITHOLDERS' FUND (as per statement of movement in unit holders' fund)		**545,369,374**	601,824,695
CONTINGENCIES AND COMMITMENTS	14		
		(Number of units)	
Number of units in issue	15	**5,947,472**	6,574,073
		(Rupees)	
Net assets value per unit		**91.6976**	91.5451

The annexed notes from 1 to 23 form an integral part of these financial statements.

YA

For Lakson Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

LAKSON TACTICAL FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025

	Note	June 30, 2025	June 30, 2024
		---------------- (Rupees)	----------------
INCOME			
Realized gain on sale of investment at fair value through profit or loss - net		**50,634,866**	6,558,688
Unrealised appreciation on re-measurement of investments 'at fair value through profit or loss' - net		**26,217,612**	83,916,768
Dividend income on investments held at fair value through profit or loss		**16,120,810**	18,688,861
Markup on:			
- Bank balances calculated using effective interest method		**15,928,070**	15,938,191
- Government and other debt securities using effective interest method		**64,278,393**	35,684,305
		80,206,463	51,622,496
Exchange gain on foreign currency current account		**13,914**	132,149
Reversal / (provison) against non - performing debt		**19,980,000**	(15,984,000)
Total Income		**193,173,665**	144,934,962
EXPENSES			
Remuneration of the Management Company	9.1	**11,148,292**	8,279,688
Sindh Sales tax on remuneration to the Management Company	9.2	**1,670,918**	1,076,359
Remuneration of the Trustee	10	**1,281,921**	832,452
Annual fee to the Securities and Exchange Commission of Pakistan	11	**529,744**	393,894
SECP supervisory fee		**2,500**	2,500
Auditors' remuneration	16	**710,921**	552,000
Fees and subscription		**28,750**	628,250
Legal and professional charges		**230,000**	34,500
Brokerage,custody,settlement and bank charges		**1,461,038**	1,146,104
Total expenses		**17,064,084**	12,945,747
Net income from operating activities		**176,109,581**	131,989,215
Net income for the year before taxation		**176,109,581**	131,989,215
Taxation	17	**-**	-
Net income for the year after taxation		**176,109,581**	131,989,215
Allocation of net income for the year after taxation			
Net income for the year after taxation		**176,109,581**	131,989,215
Income already paid on units redeemed		**(163,175,470)**	(109,658,691)
		12,934,111	22,330,524
Accounting income available for distribution			
- Relating to capital gains		**8,612,030**	14,341,001
- Excluding capital gains		**4,322,081**	7,989,523
		12,934,111	22,330,524

The annexed notes from 1 to 23 form an integral part of these financial statements.

YA

For Lakson Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

LAKSON TACTICAL FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	June 30, 2025	June 30, 2024
	---------------- (Rupees)	----------------
Net income for the year after taxation	**176,109,581**	131,989,215
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**176,109,581**	131,989,215

The annexed notes from 1 to 23 form an integral part of these financial statements.

Y4

For Lakson Investments Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

LAKSON TACTICAL FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS'S FUND
FOR THE YEAR ENDED JUNE 30, 2025

	June 30, 2025			June 30, 2024		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	------ (Rupees) ------					
Net assets at beginning of the year	**681,271,800**	**(79,447,105)**	**601,824,695**	393,010,035	(81,450,329)	311,559,706
Issuance of 13,089,651 units (2024: 13,781,139 units)						
- Capital value	**1,198,293,389**	**-**	**1,198,293,389**	1,257,205,110	-	1,257,205,110
- Element of income	**273,823,603**	**-**	**273,823,603**	258,606,262	-	258,606,262
Total proceeds on issuance of units	**1,472,116,992**	**-**	**1,472,116,992**	1,515,811,372	-	1,515,811,372
Redemption of 13,716,252 units (2024: 10,622,295 units)						
- Capital value	**(1,255,655,673)**	**-**	**(1,255,655,673)**	(969,034,779)	-	(969,034,779)
- Element of income	**(143,376,966)**	**(163,175,470)**	**(306,552,436)**	(113,210,063)	(109,658,691)	(222,868,754)
Total payments on redemption of units	**(1,399,032,639)**	**(163,175,470)**	**(1,562,208,109)**	(1,082,244,842)	(109,658,691)	(1,191,903,533)
Dividend distribution during the period: -Interim Distribution June 26, 2025 @ Rs. 33.4834 per unit (2024: 34.3554)	**(131,834,428)**	**(10,639,357)**	**(142,473,785)**	(145,304,765)	(20,327,300)	(165,632,065)
Total comprehensive income for the year	**-**	**176,109,581**	**176,109,581**		131,989,215	131,989,215
Net assets as at end of the year	**622,521,725**	**(77,152,351)**	**545,369,374**	681,271,800	(79,447,105)	601,824,695
Undistributed income / (loss) brought forward:						
- Realized (loss)		**(163,363,873)**			(78,333,284)	
- Unrealized income / (loss)		**83,916,768**			(3,117,045)	
		(79,447,105)			(81,450,329)	
Accounting income available for distribution:						
Relating to capital gains		**8,612,030**			14,341,001	
Excluding capital gains		**4,322,081**			7,989,523	
		12,934,111			22,330,524	
Interim cash distribution during the year June 30, 2025: Rs. 33.4834 per unit (June 30, 2024: 34.3554)		**(10,639,357)**			(20,327,300)	
Undistributed (loss) at end of the year		**(77,152,351)**			(79,447,105)	
Represented by:						
- Realised loss at the end of the year		**(103,369,962)**			(163,363,873)	
- Unrealised gain at the end of the year		**26,217,612**			83,916,768	
Undistributed loss at the end of the year		**(77,152,351)**			(79,447,105)	
Net assets value per unit at beginning		**91.5451**			91.2265	
Net assets value per unit at end		**91.6976**			91.5451	

The annexed notes from 1 to 23 form an integral part of these financial statements.

YA

For Lakson Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

LAKSON TACTICAL FUND
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2025

	Note	June 30, 2025	June 30, 2024
		---------------- (Rupees) ----------------	
CASH FLOW FROM OPERATING ACTIVITIES			
Net income for the year before taxation		**176,109,581**	131,989,215
Adjustments for:			
Unrealised (appreciation) on revaluation of investments classified at fair value through profit or loss - net		**(26,217,612)**	(83,916,768)
Realised gain on sale of investment at fair value through profit or loss - net		**(50,634,866)**	(6,558,688)
Dividend income on investments held at fair value through profit or loss		**(16,120,810)**	(18,688,861)
Exchange gain on foreign currency deposits		**(13,914)**	(132,149)
Markup income on bank deposits and investments		**(80,206,463)**	(51,622,496)
Provision against non-performing debt		**-**	15,984,000
		2,915,916	(12,945,747)
(Increase) / decrease in assets			
Investments - net		**159,318,037**	(200,121,970)
Deposits and other receivables		**(22,435)**	(55,795)
		159,295,602	(200,177,765)
Increase / (decrease) in liabilities			
Payable to the Management Company		**96,692**	506,191
Payable to the Trustee		**9,665**	(52,410)
Payable to Securities and Exchange Commission of Pakistan		**3,242**	(28,449)
Accrued expenses and other liabilities		**1,515,465**	845,018
Payable against the purchase of equity investments		**(6,457,369)**	5,106,854
		(4,832,305)	6,377,204
Dividend income received on investment at fair value through profit or loss		**16,059,489**	18,682,756
Receipts against non-performing debt securities		**19,980,000**	-
Profit received on bank balances and investments		**62,426,200**	49,952,066
Net cash inflow / (outflow) from operating activities		**255,844,902**	(138,111,486)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds on issuance of units		**1,472,116,992**	1,515,811,372
Payments on redemption of units		**(1,562,208,109)**	(1,191,903,533)
Dividend paid		**(142,473,785)**	(165,632,065)
Net cash (used in) / generated from financing activities		**(232,564,902)**	158,275,774
Net increase in cash and cash equivalents during the year		**23,280,000**	20,164,288
Cash and cash equivalent at the beginning of the year		**128,347,168**	137,652,481
Exchange gain on foreign currency deposits		**13,914**	132,149
Cash and cash equivalent at the end of the year		**151,641,082**	157,948,918
Cash and cash equivalents			
Bank balances	5	**151,641,082**	128,347,168
Investments maturing within 3 months	6	**-**	29,601,750
		151,641,082	157,948,918

The annexed notes from 1 to 23 form an integral part of these financial statements.

YA

For Lakson Investments Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 The Lakson Tactical Fund (the "Fund") was established under the Trust Deed executed on 30 May 2011 between Lakson Investments Limited as its Management Company and the Central Depository Company of Pakistan Limited (CDC) as its Trustee. The Fund has been registered as a Notified Entity on 7 July 2011 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).

1.2 The Management Company of the Fund has been licensed by SECP to undertake Asset Management and Investment Advisory Services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of the Management Company is located at 14 - Ali Block, New Garden Town, Lahore, while the head office is in the Lakson Square Building No. 2, Karachi.

1.3 The Board of Directors have approved that the Fund should be categorised as 'Asset Allocation Scheme' as per the categories defined by the Securities and Exchange Commission of Pakistan Circular 7 of 2009 dated March 06, 2009. The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The units of the Fund can be transferred to / from the Funds managed by the Management Company and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

1.4 The Pakistan Credit Rating Company Limited (PACRA) has maintained asset manager rating of the Management Company of the Fund to the scale 'AM2+' (stable outlook) dated August 23, 2024 (AM2+ as on August 25, 2023).

On May 23, 2024, VIS assigned following rankings to the Fund based on the performance review for the year ended June 30, 2025.

1-year ranking: MFR 2-Star
3-year ranking: MFR 2-Star
5-year ranking: MFR 2-Star

1.5 The Trust Act, 1882 was repealed due to promulgation of Provincial Trust Act "Sindh Trust Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Trusts including Collective Investment Scheme, private funds etc., being Specialized Trusts are required to be registered with the Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh under Section 12A of the Sindh Trusts Act, 2020. Accordingly, on January 31, 2022 the above mentioned Trust Deed has been registered under the Sindh Trust Act.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These 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 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 Trust Deed have been followed.

2.1.1 The SECP / Commission through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Currently, the Asset Management Companies are required to continue to follow the requirements of Circular 33 of 2012 for impairment of debt securities.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving a degree of judgment or complexity, or areas where estimates and assumptions are significant to the financial statements are as follows:

(a) classification and measurement of financial assets (Note 4.1.1.1);
(b) impairment of financial assets (Note 4.1.1.3);
(c) provisions (Note 4.5); and
(d) classification and measurement of financial liabilities (notes 4.1.2.1).

The revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO THE PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 New amendments that are effective for the year ended June 30, 2025

The following amendments are effective for the year ended June 30, 2025. These amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions

Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants

Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements.

3.2 Standard and amendments to IFRS that are not yet effective

The following standards and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective from accounting period beginning or after
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026

	Effective from accounting period beginning or after
IFRS 7 - Financial Instruments: Disclosures	July 01, 2025 / January 01, 2026
Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Classification and measurement of financial instruments	January 01, 2026
Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 01, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Contracts Referencing Nature-dependent Electricity	January 01, 2026

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards

- IFRS 18 - Presentation and Disclosures in Financial Statements

- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

4. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the Fund's statement of assets and liabilities when the Fund becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the income statement.

4.1.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

4.1.1.1 Classification and measurement of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the entity's business model for managing them.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income

For financial instrument at fair value through other comprehensive income (OCI), interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is reclassified to the income statement.

Financial assets at fair value through profit or loss

Financial assets that do not meet the amortised cost criteria or the fair value through other comprehensive income criteria are classified as at fair value through profit or loss. In addition, financial assets that meet either the amortised cost criteria or the fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

4.1.1.2 Fair value measurement principles

The fair value of financial instruments is determined as follows:

Basis of valuation of government debt securities:

The government debt securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV / PKFRV rates) which are based on the remaining tenor of the securities.

Basis of valuation of debt securities:

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds Association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorizes them as traded, thinly traded and non-traded securities. The aforementioned circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

Basis of valuation of equity securities:

The equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange (PSX)

4.1.1.3 Impairment of financial assets

Management Company assesses at each reporting date whether there is objective evidence that the Fund's financial assets or a group of financial assets are impaired. If any such indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognised whenever the carrying value of an asset exceeds its recoverable

As disclosed in note 2.1.1 of these financial statements, the Fund follows the requirements of Circular No. 33 of 2012 (the "circular") for impairment of debt securities. Under the circular, provision for non-performing debt securities is made on the basis of time based criteria as prescribed under the circular. Impairment losses recognised on debt securities can be reversed through the income statement.

As allowed under circular no. 13 of 2009 dated May 04, 2009 issued by the SECP, the Management Company may also make provision against debt securities over and above minimum provision requirement prescribed in aforesaid circular, in accordance with the provisioning policy approved by the Board of Directors and disseminated by the Management Company on its website.

For financial assets other than debt securities measured at amortised cost, IFRS 9 requires recognition of impairment based on expected credit loss (ECL) model. Under IFRS 9, the Fund is required to measure loss allowance equal to an amount equal to lifetime ECL or 12 months ECL based on credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

However, majority of the assets of the Fund exposed to credit risk pertain to counter parties which have high credit rating or where credit risk has not been increased since initial recognition. Therefore, management believes that the impact of ECL would be very minimal and hence, the same has not been accounted for in these financial statements.

4.1.1.4 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of assets and liabilities) when:

- the rights to receive cash flows from the asset have expired; or

- the Fund has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset.

4.1.2 Financial liabilities

4.1.2.1 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at fair value through profit or loss.

Financial liabilities are measured at amortised cost, unless they are required to be measured at fair value through profit or loss (such as instruments held for trading or derivatives) or the Fund has opted to measure them at fair value through profit or loss.

4.1.2.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

4.1.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

The Fund assesses at each reporting date whether there is an objective evidence that the financial assets or a group of financial assets are impaired. The carrying value of the Fund's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

4.2 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less, which are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value.

4.3 Trade date accounting

All regular way purchases and sales of investments are recognised on the trade date, i.e. the date on which commitment to purchase / sale is made by the Fund. Regular way purchases or sales of investment require delivery of securities within two days after transaction date as required by Pakistan Stock Exchange Limited Regulations.

4.4 Foreign currency translation

Transactions denomiated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchanges gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognized in the Income Statement.

4.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

4.6 Taxation

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend.

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.

4.7 Dividend distribution and appropriations

Dividend distributions and appropriations are recorded in the period in which these are approved by the Board of Directors of the Management Company.

Regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders.

Distributions declared subsequent to the year end / reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

4.8 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load and any provision for duties and charges, if applicable. The sales load is payable to investment facilitators, distributors and the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, and charges on redemption, if applicable.

4.9 Element of income / (loss) included in prices of units issued less those in units redeemed

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.10 Net asset value per unit

Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.11 Revenue recognition

- Gain or loss on sale of investment is accounted for in the income statement in the period in which it arises.
- Unrealised appreciation / diminution arising on revaluation of investments classified as 'at fair value through profit or loss' is included in the income statement in the period in which it arises.
- Income from investments in government securities is recognised on a time proportionate basis using effective interest rate method.
- Profit on bank balances is recognised on a time proportionate basis using bank's approved rates.
- Dividend income from equity securities is recognised when the right to receive dividend is established.

4.12 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company, Trustee fee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

4.13 Earnings per unit

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

	Note	**June 30, 2025**	June 30, 2024
		---- (Rupees) ----	
5 BANK BALANCES			
In local currency			
In profit and loss sharing accounts	5.1	**150,950,545**	127,538,581
In current account		**8,503**	8,503
In foreign currency			
In current account	5.2	**682,034**	800,084
		151,641,082	128,347,168

5.1 These carry mark-up rates ranging from 8% to 20.25% (June 30, 2024: 19.50% to 20.50%) per annum.

5.2 This represents USD denominated current account maintained in foreign country amounting to USD 2,403.52 (June 30, 2024: USD 2,875.36).

	Note	**June 30, 2025**	June 30, 2024
6 INVESTMENTS		---- (Rupees) ----	
Financial assets classified as fair value through profit or loss			
- Listed equity securities	6.1	**91,139,147**	227,035,853
- Term finance certificates - Unlisted	6.2	**15,000,000**	15,000,000
Government securities			
- Pakistan investment bonds	6.3.1	**24,870,000**	24,487,500
- Market treasury bills	6.3.2	**264,366,040**	189,651,679
Financial assets classified at amortised cost			
- Short term sukuk	6.4	**-**	21,665,715
		395,375,187	477,840,747

6.1 At fair value through profit or loss

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

Sectors / Companies	Holding as at 01 July 2024	Purchased during the year	Bonus shares / letter of right received during the year	Disposed during the year	Holding as at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised gain / (loss) - net	Market value as percentage of total investments	Market value as percentage of net assets	% of holding in investee company
	(Number of Shares)					(Rupees)			(%)		
Commercial Banks											
MCB Bank Limited	55,166	-	-	48,500	6,666	1,513,315	1,922,074	408,759	0.49%	0.35%	0.00%
Bank Alfalah Limited	190,510	-	-	181,000	9,510	646,870	763,082	116,212	0.19%	0.14%	0.00%
Bank Al Habib Limited	-	39,645	-	34,000	5,645	657,525	890,671	233,143	0.23%	0.16%	0.00%
Meezan Bank Limited	43,128	-	-	38,500	4,628	1,107,897	1,536,727	428,830	0.39%	0.28%	0.00%
United Bank Limited	60,132	23,132	-	67,000	16,264	2,109,385	4,488,051	2,378,666	1.14%	0.82%	0.00%
Habib Bank Limited	-	46,495	-	35,000	11,495	1,876,710	2,059,789	183,079	0.52%	0.38%	0.00%
National Bank Limited	-	159,052	-	143,500	15,552	819,864	1,690,347	870,483	0.43%	0.31%	0.00%
Faysal Bank Limited	283,262	-	-	268,530	14,732	772,546	1,027,115	254,569	0.26%	0.19%	0.00%
					84,492	**9,504,112**	**14,377,856**	**4,873,741**	**3.64%**	**2.64%**	**0.00%**
Chemicals											
Lucky Core Industries Limited	3,755	-	-	2,197	1,558	1,448,145	2,476,083	1,027,938	0.63%	0.45%	0.00%
					1,558	**1,448,145**	**2,476,083**	**1,027,938**	**0.63%**	**0.45%**	**0.00%**
Fertilizers											
Engro Corporation Limited - 6.1.1	19,662	-	-	19,662	-			-	0.00%	0.00%	0.00%
Fauji Fertilizer Company Limited	57,912	41,456	-	83,403	15,965	3,894,075	6,264,826	2,370,751	1.58%	1.15%	0.00%
Fauji Fertilizer Bin Qasim Limited	136,163	6,290	-	142,453	-			-	0.00%	0.00%	0.00%
Engro Fertilizers Limited - 6.1.1	53,344	-	-	45,000	8,344	1,386,940	1,548,563	161,623	0.39%	0.28%	0.00%
					24,309	**5,281,015**	**7,813,389**	**2,532,374**	**1.98%**	**1.43%**	**0.00%**
Pharma & Bio Tech											
The Searle Company Limited - 6.1.2	128	64	-	64	128	8,218	11,226	3,008	0.00%	0.00%	0.00%
Highnoon Laboratories Limited	7,243	-	-	5,689	1,554	1,108,903	1,535,290	426,387	0.39%	0.28%	0.00%
Ferozsons Laboratories Limited	-	8,810	-	3,500	5,310	1,965,021	2,068,882	103,861	0.52%	0.38%	0.00%
GlaxoSmithKline Pakistan Limited	-	13,084	-	6,000	7,084	2,658,451	2,767,860	109,409	0.70%	0.51%	0.00%
AGP Limited	37,822	18,831	-	47,000	9,653	939,640	1,843,337	903,697	0.47%	0.34%	0.00%
					23,729	**5,563,112**	**8,226,595**	**1,546,362**	**2.08%**	**1.51%**	**0.00%**
Cement											
Kohat Cement Company Limited	1,152	7,680	-	5,960	2,872	1,179,381	1,089,522	(89,859)	0.28%	0.20%	0.00%
Lucky Cement Limited - 6.1.1	11,976	8,304	-	9,900	10,380	1,882,371	3,687,391	1,805,020	0.93%	0.68%	0.00%
Maple Leaf Cement Factory Limited	141,367	160,983	-	186,000	116,350	5,681,265	9,805,978	4,124,713	2.48%	1.80%	0.00%
Pioneer Cement Limited	47,721	20,500	-	44,385	23,836	4,114,488	5,437,707	1,323,219	1.38%	1.00%	0.00%
Fauji Cement Company Limited	119,036	382,660	-	377,650	124,046	3,641,108	5,541,135	1,900,027	1.40%	1.02%	0.00%
D.G. Khan Cement Company Limited	-	59,633	-	43,670	15,963	1,838,511	2,642,834	804,323	0.67%	0.48%	0.00%
Cherat Cement Company Limited	16,831	-	-	13,423	3,408	555,947	989,342	433,395	0.25%	0.18%	0.00%
					296,855	**18,893,071**	**29,193,909**	**10,300,838**	**7.38%**	**5.35%**	**0.00%**
POWER GEN & DISTRIBUTION											
Engro Powergen Qadirpur Limited	33,946	2,806	-	20,000	16,752	465,249	479,107	13,858	0.12%	0.09%	0.00%
Nishat Chunian Power Limited	-	110,430	-	53,000	57,430	1,565,046	1,396,123	(168,923)	0.35%	0.26%	0.00%
Nishat Power Limited	-	97,450	-	56,000	41,450	1,229,880	1,503,392	273,512	0.38%	0.28%	0.00%
Hub Power Company Limited	73,657	44,000	-	107,000	10,657	1,564,243	1,468,641	(95,602)	0.37%	0.27%	0.00%
					126,289	**4,359,169**	**4,847,263**	**22,845**	**1.23%**	**0.89%**	**0.00%**
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited - 6.1.2	4,972	8,000	472	9,863	3,581	1,578,321	2,244,893	666,572	0.57%	0.41%	0.00%
Oil & Gas Development Company Limited - *6.1.1*	88,817	25,967	-	101,000	13,784	1,903,939	3,040,199	1,136,260	0.77%	0.56%	0.00%
Pakistan Oilfields Limited	21,326	-	-	19,000	2,326	1,139,600	1,372,735	233,135	0.35%	0.25%	0.00%
Pakistan Petroleum Limited - 6.1.1	100,805	31,000	-	116,000	15,805	1,881,220	2,689,537	808,317	0.68%	0.49%	0.00%
					35,496	**4,924,759**	**9,347,364**	**2,844,284**	**2.36%**	**1.71%**	**0.00%**
Oil and Gas Marketing Companies											
Pakistan State Oil Company Limited - 6.1.2	3,651	30,000	-	29,000	4,651	895,556	1,755,892	860,336	0.44%	0.32%	0.00%
Sui Northern Gas Pipeline	130,470	23,000	-	114,500	38,970	3,427,226	4,548,189	1,120,963	1.15%	0.83%	0.00%
Attock Petroleum Limited	14,631	-	-	11,800	2,831	1,093,445	1,357,804	264,359	0.34%	0.25%	0.00%
					46,452	**5,416,227**	**7,661,885**	**2,245,658**	**1.94%**	**1.40%**	**0.00%**
Engineering											
Mughal Iron & Steel Industries Limited	29,837	35,422	661	59,210	6,710	609,101	483,853	(125,248)	0.12%	0.09%	0.00%
Agha Steel Industries Limited	7,350	3,000	-	10,300	50	525	430	(95)	0.00%	0.00%	0.00%
					6,760	**609,626**	**484,283**	**(125,343)**	**0.12%**	**0.09%**	**0.00%**
Food & Personal Care Products											
Fauji Foods Limited	172,358	114,370	-	242,000	44,728	552,417	692,389	139,972	0.18%	0.13%	0.00%
Murree Brewery Company Limited	-	950	-	-	950	708,225	769,500	61,275	0.19%	0.14%	0.00%
					45,678	**1,260,642**	**1,461,889**	**201,247**	**0.37%**	**0.27%**	**0.00%**
Automobile Assembler											
Millat Tractors Limited	4,642	-	-	3,800	842	535,579	470,392	(65,187)	0.12%	0.09%	0.00%
Sazgar Engineering Works Limited	-	330	-	-	330	360,847	376,141	15,294	0.10%	0.07%	0.00%
Indus Motor Company Limited	-	172	-	-	172	354,130	298,515	(55,615)	0.08%	0.05%	0.00%
Ghandhara Industries Limited	-	510	-	-	510	373,248	331,719	(41,529)	0.08%	0.06%	0.00%
Loads Limited	-	20,220	-	-	20,220	357,428	291,775	(65,653)	0.07%	0.05%	0.00%
					22,074	**1,981,232**	**1,768,542**	**(212,690)**	**0.12%**	**0.09%**	**0.00%**
Technology and Communication											
Systems Limited	15,466	11,064	-	12,700	13,830	1,157,018	1,481,746	324,728	0.37%	0.27%	0.00%
					13,830	**1,157,018**	**1,481,746**	**324,728**	**0.37%**	**0.27%**	**0.00%**
Cable & Electrical Goods											
Pak Elektron Limited	-	7,980	-	-	7,980	352,113	326,861	(25,252)	0.08%	0.06%	0.00%
					7,980	**352,113**	**326,861**	**(25,252)**	**0.08%**	**0.06%**	**0.00%**
Inv. Banks / Inv. Cos. / Securities Cos.											
Engro Holdings Limited	-	14,950	-	7,000	7,950	1,178,681	1,451,352	272,671	0.37%	0.27%	0.00%
					7,950	**1,178,681**	**1,451,352**	**272,671**	**0.37%**	**0.27%**	**0.00%**
Refinery											
Attock Refinery Limited	-	324	-	-	324	211,569	220,130	8,561	0.06%	0.04%	0.00%
					324	**211,569**	**220,130**	**8,561**	**0.06%**	**0.04%**	**0.00%**
Total as at June 30, 2025						**62,140,491**	**91,139,147**	**25,837,962**	**22.72%**	**16.47%**	**0.01%**
Total as at June 30, 2024						143,960,215	227,035,853	83,075,637	47.51%	37.52%	0.02%

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

	June 30, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
	(Number of shares)		(Rupees)	
Engro Corporation Limited	**-**	15,000	**-**	4,990,650
Pakistan Petroleum Limited	**15,500**	20,000	**2,637,635**	2,332,400
Oil & Gas Development Company Limited	**13,000**	25,000	**2,867,280**	3,372,500
Engro Fertilizers Limited	**8,000**	10,000	**1,484,720**	1,662,200
Lucky Cement Limited	**-**	7,000	**-**	6,347,110
	36,500	77,000	**6,989,635**	18,704,860

6.1.2 Finance Act, 2014 had introduced tax on bonus shares issued by the companies. Most of the equity funds including the Fund have challenged the applicability of withholding tax provision on bonus shares before the Honorable High Court of Sindh ("the Court") on various legal grounds and have sought relief from the Court. In the Fund's case, tax in the shape of 128 shares in case of The Searle Company Limited and 814 shares in the case of Pakistan State Oils Limited have been withheld by CDC. Market value of these shares as at June 30, 2025 amounted to Re. 0.318 millon (June 30, 2024: Re. 0.143 mln) and are included in the Fund's investments in these financial statements. Later the tax on bonus shares was revoked in the year 2018.

6.2 Term Finance Certificates (unlisted) - Face Value of Rs. 100,000 each

At fair value through profit or loss

Performing

Name of security	Note	Date of Maturity	Mark-up rate	Holding as at July 01, 2024	Purchases during the year	Disposed / matured during the year	Holding as at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised gain / (loss)	Credit rating	Market value as a percentage of total investments	Market value as a percentage of net assets	Face value as percentage of size of the issue
				(Number of Certificates)				(Rupees)				(%)		
NRSP Microfinance Bank Limited	6.2.1	Jun 01, 2028	3 months KIBOR plus base rate of 3%	150	-	-	150	15,000,000	15,000,000	-	A- (dated April 30, 2025)	3.79%	2.75%	1.95%
Total as at June 30, 2025								**15,000,000**	**15,000,000**	-		**3.79%**	**2.75%**	**1.95%**
Total as at June 30, 2024								15,000,000	15,000,000	-				

Name of security	Note	Date of Maturity	Mark-up rate	Holding as at July 01, 2024	Purchases during the year	Disposed / matured during the year	Holding as at June 30, 2025	Carrying value as at July 01, 2024	Impairment as at June 30, 2025	Market value as at June 30, 2025	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
Non-performing				(Number of Certificates)				(Rupees)				(%)		
Silk Bank Limited	6.2.2	Aug 10, 2025	6 months KIBOR plus base rate of 1.85%	8,000	-	4,000	4,000	-	-	-	Not rated	-	-	-
Total as at June 30, 2025								-	-	-		-	-	-
Total as at June 30, 2024								15,984,000	(15,984,000)	-				

6.2.1 This represents investments in Term Finance Certificates of NRSP Microfinance Bank Limited. The instrument is structured to redeem 100% of the issue amount in the last 4 equal quarterly instalments of 25.00% each from September 01, 2027 to June 01, 2028. These term finance certificates are unsecured. Face value of the individual certificate is Rs. 100,000 (Rs. 15 million in total).

6.2.2 This represents unlisted term finance certificates issued by Silk Bank Limited. Total size of the issue is Rs. 2,000 million and the term of the TFCs is eight years commencing from the date of issue of TFCs which was August 2017 and ending on August 2025. Profit on the instrument is receivable on semi-annually basis in arrears on the outstanding balance and the first such profit payment is due at the expiry of 6 months from the issue date and subsequently every six months thereafter. Profit rate on this term finance certificate is six months average KIBOR + 1.85% per annum. The instrument is structured to redeem 0.14% of the issue amount during the first 7 years and remaining 99.86% in the last two semi annual instalments of 49.93% each. The instrument is unsecured and subordinated to all other indebtedness of the Bank. The latest available rating of the instrument is BBB+ rated on December 23, 2021. No credit rating is currently available for this TFC as this has become a non-performing security.

During the year ended 2022, the issuer defaulted the coupon payment which was due on February 10, 2022, as a result the investment was classified as non-performing asset on February 25, 2022 and the markup income / coupon was suspended accordingly. As per the requirements of Circular No. 33 of 2012 issued by the SECP on October 24, 2012, the profit accrued uptil February 10, 2022 was reversed and an unrealised loss of Rs. 4.55 million and further provision of Rs. 3.44 million (Total amount Rs. 7.99 million), which is 20% of outstanding principal amount of Rs. 39.96 million was recorded as an unrealised loss during the year ended June 30, 2022. Till June 2023, further provision of Rs. 15.98 million was recorded, which is 40% of principal amount followed by an another provision of Rs. 15.98 million during the year ended June 30, 2024 which is remaining 40% of principal amount.

During the year ended June 30, 2025, the Company received overdue coupon payments along with 50% principal repayment of Rs. 19.98 million (50% of the principal amount), in accordance with the terms of the original investment certificate. As per the repayment schedule communicated by the issuer, the remaining principal amount of Rs. 19.98 million is expected to be received on August 10, 2025.

The investment continues to be classified as a non-performing asset as of June 30, 2025. As per the requirements of SECP Circular No. 8 of 2022, reclassification of the investment from non-performing to performing status is conditional upon receipt of the next two consecutive repayments.

6.2.3 The Securities and Exchange Commission of Pakistan (SECP), vide its circular No. 16 date July 07, 2010 prescribed certain disclosures for the schemes holding investments that were non-compliant either with the minimum investment criteria specified for category assigned to such schemes or with the investment requirement of their consecutive documents. The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorization criteria a laid down in the circular. Lakson Asset Management Limited (the Management Company) classified Lakson Tactical Fund (the Fund) as an 'Asset Allocation Scheme' in accordance with the said circular. As at June 30, 2025, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires the rating of any security in the portfolio shall not be lower than the investment grade. The following are the details of non-compliant investments held by the Fund:

Name of Non-compliant investment	Note	Type of Investment	Value of investment before provision	Provision held (if any)	Value of Investment after provision	Investment as percentage of Net Assets	Investment as percentage of Gross Assets
			(Rupee)				
Silk Bank Limited	6.2.2	Term Finance Certficate	19,980,000	(19,980,000)	-	-	-

6.3 Government securities - at fair value through profit or loss

6.3.1 Pakistan Investment Bonds (Face value of Rs 100 each)

Name of security	Note	Date of Issue	Date of Maturity	Term	Holding as at July 01, 2024	Purchases during the year	Disposed / matured during the year	Holding as at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised gain / (loss)	Market value as % of total investments	Market value as % of net assets
					No. Of Units				(Rupees)			(%)	
Pakistan Investment Bond - 10 Year	6.3.1.1	31-May-18	31-May-28	10 Years	250,000	-	-	250,000	24,487,500	24,870,000	382,500	6.29%	4.56%
Total as at June 30, 2025									**24,487,500**	**24,870,000**	**382,500**	**6.29%**	**4.56%**
Total as at June 30, 2024									23,820,000	24,487,500	667,500	5.12%	4.07%

6.3.1.1 This represents investments in 10 years Pakistan Investment Bond carrying an effective profit rate of 18.89% and having maturity on May 31, 2028.

6.3.2 Market Treasury Bills (Face value of Rs 100 each)

Name of security	Issue Date	Maturity Date	Holding as at July 01, 2024	Purchases during the year	Disposed / matured during the year	Holding as at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised gain / (loss)	Market value as % of total investments	Market value as % of net assets
			No. Of Units				(Rupees)			(%)	
Treasury Bills - 03 months	2-May-24	25-Jul-24	300,000	-	300,000	-	-	-	-	0.00%	-
Treasury Bills - 03 months	28-Nov-24	27-Feb-25		5,000,000	5,000,000	-	-	-	-	0.00%	-
Treasury Bills - 03 months	23-Jan-25	24-Apr-25		600,000	600,000	-	-	-	-	0.00%	-
Treasury Bills - 03 months	3-Apr-25	3-Jul-25		610,000	610,000	-	-	-	-	0.00%	-
Treasury Bills - 06 months	26-Dec-24	26-Jun-25	-	2,300,000	2,300,000	-	-	-		0.00%	-
Treasury Bills - 01 Year	25-Jan-24	24-Jan-25	700,000	-	700,000	-	-	-	-	0.00%	-
Treasury Bills - 01 Year	19-Oct-23	18-Oct-24	-	155,000	155,000	-	-	-	-	0.00%	-
Treasury Bills - 01 Year	25-Jul-24	25-Jul-25	-	250,000	250,000	-	-	-	-	0.00%	-
Treasury Bills - 01 Year	16-May-24	16-May-25	1,000,000	-	1,000,000	-	-	-	-	0.00%	-
Treasury Bills - 01 Year	13-Jun-24	13-Jun-25	130,000	-	130,000	-	-	-	-	0.00%	-
Treasury Bills - 01 Year	7-Mar-24	7-Mar-25		800,000	800,000	-	-	-	-	0.00%	-
Treasury Bills - 01 Year	21-Mar-24	21-Mar-25		800,000	800,000	-	-	-	-	0.00%	-
Treasury Bills - 01 Year	23-Jan-25	23-Jan-26	-	1,300,000	-	1,300,000	122,557,988	122,481,190	(76,798)	30.98%	-0.02%
Treasury Bills - 01 Year	9-Jan-25	9-Jan-26	-	1,500,000	-	1,500,000	141,810,902	141,884,850	73,948	35.89%	0.02%
Total as at June 30, 2025							**264,368,890**	**264,366,040**	**(2,850)**	**66.86%**	**0.00%**
Total as at June 30, 2024							189,478,048	189,651,679	173,631	39.69%	31.51%

6.4 Sukuk Certificates - Face Value of Rs. 1,000,000 each

At amortised cost

Name of security	Term	Date of Maturity	Mark-up rate	Holding as at July 01, 2024	Purchases during the period	Disposed / matured during the period	Holding as at June 30, 2025	Face Value as at June 30, 2025	Carrying value as at June 30, 2025	Carrying value as a % of net asset of fund	Face Value as a % of total investment
IIL- Sukuk-6M	Semi-annually	13-Aug-24	6 months KIBOR plus base rate of 0.5%	20	-	20	-	-	-	-	-
Total as at June 30, 2025								-	-	-	
Total as at June 30, 2024								20,000,000	21,665,715	-	

		Note	June 30, 2025	June 30, 2024
			(Rupees)	
7	**PROFIT ACCRUED AND DIVIDEND RECEIVABLE**			
	Profit receivable on:			
	- Profit and loss sharing accounts		**730,487**	2,243,665
	- Term finance certificates		**225,795**	838,696
	- Government securities		**404,409**	478,067
			1,360,691	3,560,428
	Dividend receivable		**100,191**	38,869
			1,460,882	3,599,297

		Note	June 30, 2025	June 30, 2024
8	**DEPOSITS AND OTHER RECEIVABLE**			
	Security deposit to:			
	- National Clearing Company of Pakistan Limited	8.1	**2,500,000**	2,500,000
	- Central Depository Company of Pakistan Limited	8.2	**100,000**	100,000
	Advance tax	8.3	**1,034,576**	1,012,141
			3,634,576	3,612,141

8.1 This represents deposit with NCCPL in respect of the trading of listed securities.

8.2 This represents deposit with CDC on account of initial deposit for opening of investor account for electronic transfer of book-entry securities.

8.3 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151. However, withholding tax on profit on bank balances paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide its Circular C.No.1 (43) DG (WHT) / 2008 - Vol.II - 66417 - R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholdee.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on bank balances have been shown as advance tax under assets as at June 30, 2025 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

		Note	June 30, 2025	June 30, 2024
			(Rupees)	
9	**PAYABLE TO THE MANAGEMENT COMPANY**			
	Remuneration payable to the Management Company	9.1	**1,044,509**	976,255
	Sales tax payable on remuneration to the Management Company	9.2	**155,351**	126,913
	Federal Excise Duty on remuneration payable to Management	9.3	**1,943,186**	1,943,186
			3,143,046	3,046,354

9.1 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 June 30, 2025 is 2% of average annual net assets calculated on daily basis.

9.2 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.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, being prudent the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 1.94 million (2024: 1.94 million) ,including SST @ 13%, and is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED and SST not been made, the net asset value of the Fund as at June 30, 2025 would have been higher by Rs. 0.33 (June 30, 2024: Rs.0.30) per unit.

10 REMUNERATION PAYABLE TO THE TRUSTEE

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provision of Trust Deed. Effective from July 01, 2019 the Trustee has revised the trustee fee as under:

Net assets up to 1 billion	0.20% per annum of the daily average net assets of the Fund, whichever is higher.
Net assets exceeding Rs. 1 billion	Rs. 2.0 million plus 0.10% per annum of the daily average net assets of the Fund exceeding Rs 1 billion.

11 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to SECP in accordance with the NBFC Regulations. Effective from July 01, 2023 the SECP has revised the Annual SECP fee. Currently the Management Company is required to pay SECP an amount at the rate of 0.095% per annum of the average daily net assets of the fund.

	June 30, 2025	June 30, 2024
	(Rupees)	
12 ACCRUED EXPENSES AND OTHER LIABILITIES		
Brokerage payable	**734,657**	119,107
Fee payable to National Clearing Company of Pakistan	**2,000**	37,200
Auditors' remuneration	**495,931**	851,515
Fee payable to Central Depository Company	**34,418**	34,418
Withholding tax payable	**2,124,911**	826,350
Other liabilities	**37,793**	45,654
	3,429,709	1,914,244

13 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 3.06% as of June 30, 2025 and this includes 0.45% representing Government levies and SECP fee. As per NBFC Regulation the total expense ratio of the Asset Allocation Scheme shall be caped up to 4.5% (excluding government levies).

14 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2025, except as otherwise disclosed.

	June 30, 2025	June 30, 2024
15 NUMBER OF UNITS IN ISSUE	(Number)	
Total outstanding as of 1 July 2024	**6,574,073**	3,415,229
Issued during the year	**13,089,651**	13,781,139
Redemptions during the year	**(13,716,252)**	(10,622,295)
Total units in issue as of 30 June 2025	**5,947,472**	6,574,073

16 AUDITORS' REMUNERATION

	June 30, 2025	June 30, 2024
	---------------- (Rupees)	----------------
Annual audit fee	**454,186**	351,389
Fee for the review of half yearly financial statements	**151,395**	117,130
Report on the compliance on foreign investment agreed upon procedures report	**49,680**	42,593
Out of pocket and sales tax expenses	**55,660**	40,888
	710,921	552,000

17 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 financial statements.

18 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include Lakson Investments Limited being the ManagementCompany, 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 June 30, 2025. It also includes staffretirement 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 as duly approved by Board of directors.

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

18.1 Details of balance with related parties / connected persons for the year ended

	Note	June 30, 2025	June 30, 2024
		---------------- (Rupees)	----------------
Lakson Investments Limited - Management Company			
Remuneration payable	9.1	**1,044,509**	976,255
Sindh Sales Tax payable on Management Company's remuneration*	9.2	**155,351**	126,913
Federal Excise Duty	9.3	**1,943,186**	1,943,186
Central Depository Company of Pakistan Limited - Trustee			
Remuneration payable		**104,449**	97,627
Sindh Sales Tax payable on Trustee remuneration*		**15,534**	12,692
Settlement charges payable		**34,418**	34,418
Security deposit		**100,000**	100,000
Habib Bank AG Zurich - Custodian			
Bank deposits		**682,034**	800,084
Settlement charges payable		**1,733**	14,231

18.2 Details of transaction with related parties / connected persons during the period ended

	June 30, 2025	June 30, 2024
Lakson Investments Limited - Management Company of the Fund		
Remuneration to the Management Company	**11,148,292**	8,279,688
Sindh Sales Tax on Management Company's remuneration*	**1,670,918**	1,076,359
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Remuneration for the period	**1,281,921**	832,452
Settlement Charges for the period	**26,645**	26,355
Habib Bank AG Zurich - Custodian		
Settlement charges	**119,028**	268,374

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

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

	Year ended June 30, 2025								
	Number of units				Rupees				
	Number of units as at July 01, 2024	Units issued during the year	Units redeemed during the year	Number of units as at June 30, 2025	Balance as at July 01, 2024	Units issued during the year	Dividend paid during the year	Units redeemed during the year	Balance as at June 30, 2025
Directors, Chief Executive and their spouse and minors	168,781	67,125	-	235,906	15,451,044	6,126,052	5,853,522	-	21,632,014
Associated companies / undertakings of the Management Company									
Accuray Surgical Limited Employees Contributory Provident Fund	64,119	118,477	132,888	49,708	5,869,770	12,131,797	1,439	14,953,899	4,558,104
Century Insurance Co. Ltd., GF	107,819	211,493	228,164	91,147	9,870,264	21,716,753	46,753	26,047,053	8,357,953
Century Insurance Company Limited Employees Contributory Provident Fund Trust	86,839	176,507	187,105	76,241	7,949,717	18,088,918	38,918	21,336,623	6,991,112
Century Paper & Board Mills Limited ECPFT	1,126,690	2,249,111	2,415,864	959,937	103,142,973	231,184,612	27,723	275,171,311	88,023,927
Century Paper & Board Mills Limited EGF	1,084,454	2,168,727	2,302,446	950,736	99,276,491	220,968,850	893,850	261,791,736	87,180,170
Colgate Palmolive Pakistan Limited ECPFT	1,059,737	2,177,902	2,284,385	953,255	97,013,763	224,984,730	34,730	260,329,913	87,411,151
Colgate Palmolive Pakistan Limited EGF	1,291,920	2,707,272	2,807,731	1,191,461	118,268,908	277,695,172	1,120,172	321,240,322	109,254,124
Cyber Internet Services (Pvt.) Ltd. Empl. CPFT	619,238	1,374,993	1,415,578	578,653	56,688,237	140,245,977	16,801	161,017,948	53,061,122
Hasanali Karabhai Foundation ECPF Trust	13,438	27,983	32,689	8,732	1,230,213	2,754,436	8,871	3,516,862	800,697
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	7,446	1,366	-	8,812	681,625	124,655	249,310	-	808,008
Lakson Investments Limited ECPFT	71,960	184,900	173,354	83,505	6,587,559	18,963,861	38,861	19,929,136	7,657,243
Merit Packaging Limited Employees Contributory Provident Fund Trust	104,502	211,352	224,866	90,988	9,566,626	21,713,304	2,649	25,629,806	8,343,342
Merit Packaging Limited Employees Gratuity Fund	57,641	147,519	141,766	63,394	5,276,717	15,387,295	1,838	16,343,915	5,813,079
Siza Foods Private Limited Employees Contributory Provident Fund Trust	478,674	900,032	1,011,204	367,502	43,820,261	91,538,313	10,663	114,477,836	33,699,013
Siza Services Private Limited Employees Countributory Provident Fund Trust	54,503	124,426	122,831	56,098	4,989,468	12,199,395	39,395	13,559,470	5,144,051
Sybrid (Private) Limited ECPFT	109,097	221,430	235,380	95,147	9,987,285	22,718,452	2,765	26,862,281	8,724,735
NayaPay (Pvt) Limited Employee Contributory Provident Fund	49,470	13,612	-	63,082	4,528,702	1,242,308	1,656,411	-	5,784,458

	Year ended June 30, 2024								
	Number of units				Rupees				
	Number of units as at July 01, 2023	Units issued during the year	Units redeemed during the year	Number of units as at June 30, 2024	Balance as at July 01, 2023	Units issued during the year	Dividend paid during the year	Units redeemed during the year	Balance as at June 30, 2024
Directors, Chief Executive and their spouse and minors	127,854	40,927	-	168,781	3,733,603	4,392,475	4,392,475	-	15,451,044
Associated companies / undertakings of the Management Company									
Accurate Surgical Limited -Employees Contributory Provident Fund Trust	53,355	161,956	151,192	64,119	4,867,434	16,244,084	-	16,729,970	5,869,770
Century Insurance Company Limited Employees Contributory Provident Fund Trust	59,149	214,565	186,875	86,839	5,395,971	21,535,303	-	20,883,932	7,949,717
Century Insurance Company Limited Gratuity Fund	42,475	213,255	147,911	107,819	3,874,816	21,058,057	-	16,709,672	9,870,264
Century Paper & Board Mills Limited Employees Contributory Provident Fund Trust	581,820	2,420,805	1,875,934	1,126,690	53,077,413	240,701,483	-	210,559,192	103,142,973
Century Paper & Board Mills Limited Employees Gratuity Fund	518,912	2,260,140	1,694,597	1,084,454	47,338,493	224,686,943	-	190,612,439	99,276,491
Colgate Palmolive (Pakistan) Limited Employees Contributory Provident Fund Trust	552,966	2,277,749	1,770,978	1,059,737	50,445,167	226,529,784	-	198,731,053	97,013,763
Colgate Palmolive (Pakistan) Limited Employees Gratuity Fund	602,069	2,652,672	1,962,821	1,291,920	54,924,633	262,907,119	-	220,681,371	118,268,908
Cyber Internet Services (Private) Limited Employees Contributory Provident Fund Trust	275,018	1,255,165	910,945	619,238	25,088,956	124,326,159	-	102,496,111	56,688,237
Hasanali Karabhai Foundation Employees Contributory Provident Fund Trust	8,165	30,667	25,393	13,438	744,821	3,060,042	9,449	2,840,848	1,230,213
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	5,892	1,553	-	7,446	537,547	141,706	202,437	-	681,625
Lakson Investments Limited Employees Contributory Provident Fund Trust	30,013	143,880	101,933	71,960	2,737,984	14,239,712	-	11,491,883	6,587,559
Merit Packaging Limited Employees Contributory Provident Fund Trust	73,594	253,907	222,999	104,502	6,713,736	25,444,653	-	24,888,011	9,566,626
Merit Packaging Limited Employees Gratuity Fund	39,921	141,819	124,100	57,641	3,641,877	14,227,594	-	13,821,985	5,276,717
SIZA Foods (Private) Limited Employees Contributory Provident Fund Trust	339,965	1,295,269	1,156,560	478,674	31,013,837	130,589,381	-	128,925,956	43,820,261
SIZA Services (Private) Limited Employees Contributory Provident Fund Trust	30,399	120,603	96,499	54,503	2,773,174	12,008,909	-	10,815,941	4,989,468
Sybrid (Private) Limited Employees Contributory Provident Fund Trust	60,328	242,326	193,557	109,097	5,503,532	24,156,456	-	21,715,171	9,987,285
NayaPay (Pvt) Limited Emplyee Contributory Provident Fund	-	49,470	-		-	4,512,946	89,922	-	4,528,702

19 FINANCIAL RISK MANAGEMENT

Introduction and overview

The Fund has exposure to the following risks from financial instruments:

- credit risk (refer note 19.1)
- liquidity risk (refer note 19.2)
- market risk (refer note 19.3)
- operational risk (refer note 19.4)
- Unitholders' fund risk (refer note 19.5)

Risk management framework

The Fund's board of directors has overall responsibility for the establishment and oversight of the Fund's risk management framework.

Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily setup based on limits established by the management company, Fund's Trust Deed and the regulations and directives of the SECP. The policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Audit Committee oversees how management monitors compliance with the Fund's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Asset purchases and sales are determined by the Fund's Investment Manager, who has been authorised to manage the distribution of the assets to achieve the Fund's investment objectives. Compliance with the target asset allocations and the composition of the portfolio is monitored by the Investment Committee. In instances where the portfolio has diverged from target asset allocations, the Fund's Investment Manager is obliged to take actions to rebalance the portfolio in line with the established targets, within prescribed time limits.

19.1 Credit risk

Credit risk is the risk of financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from bank balances, receivable against sale of marketable securities, security deposits and profit receivables, dividend receivable on equity securities and profit receivable on Term Finance Certificates.

Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of NBFC rules and regulations. Before making investment decisions, the credit rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimize the risk of default.

Credit risk is managed and controlled by the Management Company of the Fund in the following manner:

- Where the investment committee makes an investment decision, the credit rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimize the risk of default.

- Analysis of credit ratings and obtaining adequate collaterals wherever appropriate / relevant.

- The risk of counterparty exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of the credit ratings and financial statements on a regular basis.

- Cash is held only with reputable banks with high quality external credit enhancements.

- Investment transactions are carried out with a large number of brokers, whose credit worthiness is taken into account so as to minimize the risk of default and transactions are settled or paid for only upon delivery.

Exposure to credit risk

The maximum exposure to credit risk as at June 30, 2025 was as follows:

	2025		2024	
	Balance as per the Statement of Assets and Liabilities	**Maximum Exposure**	Balance as per the Statement of Assets and Liabilities	Maximum Exposure
	(Rupees)			
Bank balances (including profit due)	**152,371,569**	**152,371,569**	130,590,833	130,590,833
Investments (including profit due)	**396,005,391**	**15,225,795**	480,084,412	15,838,696
Dividend receivable	**100,191**	**100,191**	38,869	38,869
Deposits and other receivable	**2,600,000**	**2,600,000**	2,600,000	2,600,000
	551,077,151	**170,297,555**	613,314,114	149,068,398

Difference in the balance as per the statement of assets and liabilities and maximum exposure in investments is due to the fact that investment in equity securities of Rs. 91 million (2024: Rs. 227.035 million) and government securities of Rs. 289 million (2024: Rs. 214.139 million) do not carry credit risk.

Bank balances (including profit)

The Fund held cash and cash equivalents at 30 June with banks had following credit ratings:

Rating	2025	2024	2025	2024
	(Rupees)		(%)	
AAA*	**146,956,027**	30,969,497	**96.45**	23.71
AA+	**5,117,463**	25,961,817	**3.36**	19.88
AA	**59,110**	59,110	**0.04**	0.05
AA-	**18,417**	18,417	**0.01**	0.01
A+	**57,461**	73,483,212	**0.04**	56.27
A	**13,794**	35,689	**0.01**	0.03
A-	**41,304**	55,097	**0.03**	0.04
Others	**107,994**	7,994	**0.07**	0.01
Total balance	**152,371,569**	130,590,833	**100**	100.00

Above rates are on the basis of available ratings assigned by PACRA and VIS.

* This includes balance in Habib Bank AG Zurich Switzerland. Rating of this bank is not available, however, the management considers that this is a reputable bank of good credit standing.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure.

Details of Fund's concentration of credit risk of financial instruments by industrial distribution are as follows:

	June 30, 2025		June 30, 2024	
	(Rupees)	**(%)**	(Rupees)	(%)
Commercial banks (including profit due)	**152,371,569**	**89.47**	130,590,833	87.60
Deposits and other receivable	**2,700,191**	**1.59**	2,638,869	1.77
Commercial banks - Term Finance Certificates	**15,000,000**	**8.81**	15,000,000	10.06
Profit receivable on - Term Finance Certificates	**225,795**	**0.13**	838,696	0.56
	170,297,555	**100**	149,068,398	100

Past due and impaired assets and collaterals held

None of the financial assets of the Fund are past due or impaired as at June 30, 2025, except for impairment on Term Finance Certificates (TFCs) amounting to Rs. 19.98 million (June 30, 2024: Rs. 39.96 million), as disclosed in Note 6.2.

Settlement risk

The Fund's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed on sale.

For the vast majority of transactions the Fund mitigates this risk by conducting settlements through brokers with good credit worthiness to ensure that transactions are settled only when both parties have fulfilled their contractual settlement obligations.

19.2 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund aims to maintain the level of cash and cash equivalents and other highly marketable securities at an amount in excess of expected cash outflows on financial liabilities. The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's redemption price per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed other then placing funds in profit and loss accounts maintained with commercial banks. The Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. As a result, the Fund is able to swiftly liquidate its investments in these instruments at an amount close to their fair value to meet its liquidity requirement. The present settlement system is a T+2 system, which means that proceeds from sales (to pay off redemptions) of holdings will be received on the second day after the sale, while redemptions have to be paid within a period of six working days from the date of the redemption request.

In addition, in accordance with 58(1) (k) of NBFC Regulation, 2008, the Fund is entitled to borrow, with prior approval of trustee, for meeting redemptions.. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of net assets at the time of borrowing with repayment with in 90 days of such borrowings. No such borrowings were made during the year.

In order to manage the Fund's overall liquidity, the Fund is also allowed in accordance with regulation 57(10) of NBFC Regulations, 2008, to withhold daily redemption request in excess of ten percent of the units in issue and such requests would be treated as redemption request qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. However, during the period no such option was exercised or considered necessary.

Maturity analysis for financial liabilities

Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

	June 30, 2025	
	Contractual cash flows	
	Carrying amount	Less than 3 month
Non-derivative financial liabilities (excluding unit holders' fund)	---------------- (Rupees)	----------------
Payable to the Management Company *	3,143,046	1,199,860
Remuneration payable to the Trustee *	119,984	119,984
Accrued expenses and other liabilities *	3,429,709	3,429,709
	6,692,739	4,749,553

	June 30, 2024	
	Contractual cash flows	
	Carrying amount	Less than 3 month
	(Rupees)	
Non-derivative financial liabilities (excluding unit holders' fund)		
Payable to the Management Company *	3,046,354	1,103,168
Remuneration payable to the Trustee *	110,319	110,319
Accrued expenses and other liabilities *	1,087,894	1,087,894
	4,244,567	2,301,381

* excluding provision for Sindh Workers' Welfare Fund and annual fee payable to the SECP.

Above financial liabilities do not carry any mark-up.

19.3 Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Fund's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Management of market risks

The Fund manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and regulations laid down by the Securities and Exchange Commission of Pakistan. The maximum risk resulting from financial instruments equals their fair values.

The Fund is exposed to currency risk, interest rate risk and price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund has a bank balance in foreign currency exposed to foreign exchange risk. The Fund has no foreign currency denominated liability.

As per the approval accorded by the Securities and Exchange Commission of Pakistan and State Bank of Pakistan the Fund's exposure in foreign currency shall not exceed 30% of the aggregate funds mobilised subject to cap of US$ 15 million. Investment Committee monitors and reviews the investment performance and makes necessary adjustment in light of the current economic scenario and currency valuation outlook to mitigate the risk.

The Fund's total exposure to foreign exchange at June 30, was as follows:

	June 30, 2025	
	(Rupees)	**(USD)**
Financial Assets		
Bank balance	**682,034**	**2,403.8**
	682,034	**2,403.8**

	June 30, 2024	
	(Rupees)	(USD)
Financial Assets		
Bank balance	800,084	2,875.4
	800,084	2,875.4

Fair value sensitivity analysis of foreign currency exposure:

	Average rates		**Balance sheet date rate**	
	2025	2024	**2025**	2024
Rupees / US Dollars	**279.40**	283.88	**283.76**	278.34

A five percent strengthening of Pakistani Rupee against US dollar would have decreased the net assets of the fund by Rs. 34,196 (2024: Rs. 40,260). This analysis assumes that all other variables in particular interest rate remain constant. Weakening of Pakistani Rupee by the same percentage would had a vice versa impact.

19.3.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Risk management procedures are the same as those mentioned in the credit risk management.

Exposure to interest rate risk

The interest rate profile of the Fund's interest-bearing financial instruments is as follows:

	June 30, 2025	June 30, 2024
	(Rupees)	
Variable-rate instruments		
Bank balances	**150,950,545**	127,538,581
Term Finance Certificate	**15,000,000**	15,000,000
Investment in Sukuk Certificates	**-**	21,665,715
Government Securities - Pakistan Investment Bond	**24,870,000**	24,487,500
	190,820,545	188,691,796

Sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased unit holder fund and income statement by Rs. 1.91 million (2024: Rs. 1.89 million). The analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Above bank balances are reprised by the bank after changes in the State Bank of Pakistan's policy rate and do not have any contractual maturity.

None of the other assets and Fund's liabilities are exposed to interest rate risk.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the impact on the Fund's net assets of the future movements in interest rates.

Yield/profit sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off balance sheet instruments is based on settlement date.

A summary of the Fund's interest rate gap position, categorized by the earlier of contractual re-pricing or maturity date is as follows:

		June 30, 2025			
		Exposed to interest rate risk		**Not exposed to interest rate risk**	**Total**
		No later than one month	**Between two months to one year**		
	Note	**(Rupees)**			
Financial assets					
Investments					
- Listed equity securities	6.1	**-**	**-**	**91,139,147**	**91,139,147**
- Term Finance Certificates	6.2	**-**	**15,000,000**	**-**	**15,000,000**
- Government Securities	6.3	**-**	**73,460,173**	**264,366,040**	**337,826,213**
Bank balances (including profit due)	5	**152,363,066**	**-**	**8,503**	**152,371,569**
Dividend receivable	7	**-**	**-**	**100,191**	**100,191**
Deposits and other receivable	8	**-**	**-**	**2,600,000**	**2,600,000**
		152,363,066	**88,460,173**	**358,213,881**	**599,037,121**

		June 30, 2025			
		Exposed to interest rate risk		Not exposed to interest rate risk	Total
	Note	No later than one month	Between two months to one year		
		(Rupees)			
Financial liabilities					
Payable to the Management Company	9	-	-	3,143,046	3,143,046
Remuneration payable to the Trustee	10	-	-	119,984	119,984
Accrued expenses and other liabilities	12	-	-	3,429,709	3,429,709
Total financial liabilities		-	-	6,692,739	6,692,739
On balance sheet gap		152,363,066	88,460,173	351,521,143	592,344,382
Cumulative interest rate gap *		152,363,066	240,823,239		

* There were no off balance sheet financial instruments for the Fund.

		June 30, 2024			
		Exposed to interest rate risk		Not exposed to interest rate risk	Total
	Note	No later than one month	Between two months to one year		
		(Rupees)			
Financial assets					
Investments					
- Listed equity securities	6.1	-	-	227,035,853	227,035,853
- Term Finance Certificates	6.2	-	15,000,000	-	15,000,000
- Government Securities	6.4	-	24,487,500	189,651,679	214,139,179
- Sukuk certificates		-	21,665,715	-	21,665,715
Bank balances (including profit due)	5.1	127,538,581	-	-	127,538,581
Dividend receivable		-	-	38,869	38,869
Deposits and other receivable		-	-	2,600,000	2,600,000
		127,538,581	61,153,215	419,326,401	608,018,197
Financial liabilities					
Payable to the Management Company		-	-	976,255	976,255
Remuneration payable to the Trustee		-	-	110,319	110,319
Accrued expenses and other liabilities		-	-	1,914,244	1,914,244
Total financial liabilities		-	-	3,000,818	3,000,818
		-			
On balance sheet gap		127,538,581	61,153,215	416,325,583	605,017,379
Cumulative interest rate gap *		127,538,581	188,691,796		

* There were no off balance sheet financial instruments for the Fund.

19.3.2 Price risk

The Fund is exposed to equity price risk i.e. the risk of unfavorable changes in the fair value of equity securities as a result changes in the levels of Pakistan Stock Exchange Index and the value of individual shares, which arises from investments classified at fair value through Income Statement.

The management of the Fund monitors the proportion of equity securities in its investment portfolio based on market indices. The Fund policy is to manage price risk through diversification and selection of securities within specified limits set by internal risk management guidelines or the requirements of NBFC regulations. The Fund manages those risk by limiting exposure to any single investee company to the extent of 10% of issued capital of that investee company and the net assets of the Fund with overall limit of 30% or index weight whichever is higher subject to maximum of 35% to a single industry sector of the net assets of the Fund (the limit set by NBFC regulations).

The Fund also manages its exposure to price risk by reviewing portfolio allocation as frequently as necessary and at least once a quarter from the aspect of allocation within industry and individual stock within that allocation. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Investment Committee. The primary goal of the Fund's investment strategy is to maximise investment returns.

Details of the Fund's investment in industrial / economic sector are given in note 6.1.

Sensitivity analysis - Price risk

A change of 5% in the fair values of investments classified as fair value through profit or loss would affect income statement and statement of unit holder fund by Rs. 19.77 million (2024: Rs. 23.8 million).

19.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Fund's operations either internally within the Fund or externally at the Fund's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour. Operational risks arise from all of the Fund's activities.

The Fund's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards;
- risk mitigation, including insurance where this is effective.

19.5 Unit holder's fund risk management

The Fund's capital is represented by redeemable units. The Fund is required by the NBFC Regulations, to maintain a minimum fund size of Rs.100 million, to be maintained all the time during the life of the scheme. The units issued by the Fund provides an investor with the right to require redemption for cash at a value proportionate to the unit holder's share in the Fund's net assets at the redemption date.

The Fund's objective in managing the unit holders' fund is to ensure a stable base to maximise returns to all investors and to manage liquidity risk arising from redemption. In accordance with the risk management policies, the Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption, such liquidity being augmented by disposal of investments.

20 FAIR VALUE OF FIANANCIAL 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:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: 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 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table show the carrying amount and fair values of financial assets and financial liabilities including the levels in the fair value hierarchy.

		June 30, 2025						
		Carrying amount			Fair value			
On-balance sheet financial instruments		**Fair value through profit or loss**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
	Note	(Rupees)						
Financial assets measured at fair value								
Investment in listed equity securities	6.1	91,139,147	-	91,139,147	91,139,147	-	-	91,139,147
Term finance certificates	6.2	15,000,000	-	15,000,000	15,000,000	-	-	15,000,000
Government securities	6.3	289,236,040	-	289,236,040	24,870,000	264,366,040	-	289,236,040
		395,375,187	-	395,375,187	131,009,147	264,366,040	-	395,375,187
Financial assets not measured at fair value	20.1							
Bank balances	5	-	151,641,082	151,641,082				
Dividend and Markup receivable	8	-	151,641,082	151,641,082				
Deposits and other receivables		-	2,600,000	2,600,000				
		-	305,882,164	305,882,164				
Financial liabilities not measured at fair value	20.1							
Remuneration payable to the Management Company	9	-	3,143,046	3,143,046				
Remuneration payable to the Trustee	10	-	119,984	119,984				
Accrued expenses and other liabilities	12	-	3,429,709	3,429,709				
		-	6,692,739	6,692,739				

		June 30, 2024						
		Carrying amount			Fair value			
On-balance sheet financial instruments		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	Note	(Rupees)						
Financial assets measured at fair value								
Investment in listed equity securities	6.1	227,035,853	-	227,035,853	227,035,853	-	-	227,035,853
Term finance certificates	6.2	15,000,000	-	15,000,000	15,000,000	-	-	15,000,000
Government securities	6.3	214,139,179	-	214,139,179	24,487,500	189,651,679	-	214,139,179
Sukuk Certificates	6.4	21,665,715	-	21,665,715.00	-	21,665,715	-	21,665,715.00
		477,840,747	-	477,840,747	266,523,353	211,317,394	-	477,840,747
Financial assets not measured at fair value	20.1							
Bank balances	5	-	128,347,168	128,347,168				
Dividend and Markup receivable	8	-	3,599,297	3,599,297				
Deposits and other receivables		-	2,600,000	2,600,000				
		-	134,546,465	134,546,465				
Financial liabilities not measured at fair value	20.1							
Remuneration payable to the Management Company	9	-	976,255	976,255				
Remuneration payable to the Trustee	10	-	110,319	110,319				
Accrued expenses and other liabilities	12	-	1,914,244	1,914,244				
		-	3,000,818	3,000,818				

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

21 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

	Payable against redemption of units	Dividend payable	Total
	(Rupees)		
Opening balance as at July 01, 2024	-	-	-
Payable against redemption of units	1,562,208,109	-	1,562,208,109
Payable against dividend	-	142,473,785	142,473,785
	1,562,208,109	142,473,785	1,704,681,894
Amount paid on redemption of units	(1,562,208,109)	-	(1,562,208,109)
Amount paid dividend	-	(142,473,785)	(142,473,785)
	(1,562,208,109)	(142,473,785)	(1,704,681,894)
Closing balance as at June 30, 2025	-	-	-

22 SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding unit holding pattern, top brokers, members of the Investment Committee, Fund manager, meetings of the Board of Directors of the management company and rating of the Fund and the management company

22.1 Unit holding pattern of the Fund

Category	June 30, 2025 Number of Investors	Investment amount (Rupees)	% of total net assets
Individuals	**15**	**2,125,194**	**0.39**
Associated Companies and Directors	**19**	**543,244,180**	**99.61**
Total	**34**	**545,369,374**	**100.00**

Category	June 30, 2024 Number of Investors	Investment amount (Rupees)	% of total net assets
Individuals	11	1,625,071	0.27
Associated Companies and Directors	19	600,199,624	99.73
Total	30	601,824,695	100.00

22.2 List of top 10 brokers by percentage of commission paid

Name of broker	Commission paid (Percentage %) 2025	2024
Optimus	**23.0518**	19.44
Ismail Iqbal Securities (Pvt.) Ltd	**12.5420**	8.02
C & M	**9.1790**	11.4
EFG Hermes Pakistan Limited	**8.7271**	8.54
Topline Securities Limited	**7.0250**	8.02
K Trade Secruities Limited	**6.7778**	6.99
Chase Securities Pakistan (Private) Limited	**6.7353**	6.89
JS Global Capital Limited	**5.0184**	6.79
Insight Private Limited	**4.1486**	6.46
Vector Capital Private Limited	**2.8550**	4.17

22.3 Particulars of the Investment Committee and Fund manager

Following are the members of the investment committee of the Fund:

- Mr. Babar Ali Lakhani (Chairman Investment Committee)
- Mr. Kashif Mustafa - (Executive Director & COO)
- Mr. Mustafa O. Pasha - (Chief Investment Officer)
- Mr. Hassan Bin Nasir

Mr. Babar Ali Lakhani - Chief Executive Officer

Mr. Lakhani has over twenty four years of investment and portfolio management experience in domestic and international equity and fixed income markets. Mr. Lakhani most recently served as the Chief Investment Officer of Century Insurance, a Public Limited Company listed on the Karachi and Lahore Stock Exchanges of Pakistan. He was an Investment Associate at High Street Advisors and a Research Analyst at Credit Suisse Equity Group (formerly Credit Suisse First Boston). Mr. Lakhani brings extensive investment experience, globally practiced portfolio management discipline, and a comprehensive understanding of the global asset management industry to Lakson Investments Limited.

Mr. Lakhani received his BA in Finance from Bentley College, and his MBA from Brandeis University.

Mr. Lakhani is a member of the Global Association of Risk Professionals (GARP), the Society of Financial Service Professionals and the Young Presidents' Organization (YPO). Mr. Lakhani is a member of the Alumni Trustee Committee of Brandeis University and is the school's representative in Pakistan.

Mr. Lakhani was looking after Lakson Asset Allocation Emerging Market Fund and Lakson Asset Allocation Global Commodities Fund. Subsequently, Mr. Umair and Mr. Pasha have designated to manage the Lakson Asset Allocation Emerging Market Fund and Lakson Asset Allocation Global Commodities Fund respectively.

Mr. Kashif Mustafa – Executive Director and COO

Mr. Mustafa has more than sixteen years of experience working in the financial markets of Pakistan local & international brokerage houses, and leading Asset Management Companies. Mr. Mustafa's experience includes; Financial Analysis, Equity Research, Investment Advisory and Business Development.

Mr. Mustafa O. Pasha, CFA – Chief Investment Officer

Mr. Pasha has over sixteen years of experience in the asset management and investment advisory industry. He did his Bachelors in Economics from McGill University (Montreal, Canada) in 2006 and obtained his CFA charter in 2012.

He was previously associated with BMA where he initially served as a fixed income analyst and later became the in house economist for the entire BMA group. Between 2009 - 2012 he supervised fixed income/money market investments across all mutual funds and institutional/HNW accounts advised by BMA. He is also managing Lakson Tactical Fund.

Mr. Hassan Bin Nasir- Fund Manager

Mr. Hassan Bin Nasir has over fourteen years of experience and currently holds positions of Vice President Fixed Income in Lakson Investments Limited. He completed his Masters in Business Administration in Finance major from Bahria University, Pakistan. He has immense experience in managing portfolios across Collective Investment Schemes, Separate Managed Accounts with Strong Fixed Income background, investment strategy and trading experience in instruments including, Government Securities, Corporate Debt Securities, Banking Products and Shariah Compliant Corporate Debt Securities. He is managing the following funds:

- Lakson Income Fund
- Lakson Money Market Fund
- Lakson Asset Allocation Developed Markets Fund

22.4 Directors meeting attendance

Name of directors		Meeting Attended	12 Sep 24	28 Oct 24	12 Feb 25	22 Apr 25
- Mr. Iqbal Ali Lakhani	Chairman	4	Yes	Yes	Yes	Yes
- Mr. Babar Ali Lakhani	Chief Executive Officer	4	Yes	Yes	Yes	Yes
- Mr. Amin Mohammed Lakhani	Director	4	Yes	Yes	Yes	Yes
- Mr. Jamil Ahmed Mughal	Director	4	Yes	Yes	Yes	Yes
			4	4	4	4

22.5 Rating of the Fund and the management company

Details of the ratings of the Fund and the management company are given in note 1.4.

23 GENERAL

23.1 Corresponding figures have been reclassified / rearranged wherever necessary.

23.2 These financial statements were authorised for issue on __________________ by the Board of Directors of the Management Company.

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For Lakson Investments Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

Performance Table	FY25	FY24	FY23	FY22	FY21
Net Assets - Beginning (PKR Mil.)	601	312	523	627	507
Net Assets - Ending (PKR Mil.)	545	601	312	523	627
Net Asset value per share	91.6976	91.5451	91.2265	91.1762	103.741
Selling Price for units	94.3385	94.1359	93.8083	93.4557	106.3346
Repurchase Price for units	91.6976	91.5451	91.2265	91.1762	103.741
Highest Offer Price (PKR)	128.3381	129.6009	99.8126	109.6536	113.6923
Lowest Offer Price (PKR)	93.1869	93.6721	91.1585	91.7546	90.7696
Highest Redemption Price (PKR)	124.8061	126.0341	97.0656	106.9791	110.9193
Lowest Redemption Price (PKR)	90.6223	91.0941	88.9351	90.1741	88.5557
Beginning NAV - Ex-Div. (PKR)	91.2639	91.2265	91.1762	103.741	87.4778
Interim Distributions (PKR)	33.4834	34.3554	5.5287	-	5
Final Distribution (PKR)	0	-	-	-	-
Ending NAV - Ex-Div. (PKR)	91.2639	91.5451	91.2265	91.1762	103.741
Return	36.92%	38.18%	6.17%	-12.11%	24.28%
Net Income / (loss) (PKR Mil.)	193	132	21	(74)	107
Total Distribution (PKR Mil.)	10.6394	20	17	-	25
Accumulated Capital Growth	218	34	(80)	(86)	(11)
Average Annual return of the Fund					
One Year	36.92%	38.18%	6.17%	-12.11%	24.28%
Two year	37.55%	22.18%	-2.97%	15.43%	28.12%
Three year	100.81%	28.77%	15.97%	12.60%	14.19%
Since inception (October 10,2011)	162.33%	91.40%	56.36%	47.27%	67.14%

Distributions	FY25	FY24	FY23	FY22	FY21
Interim Distribution	33.4834	34.3554	5.5287	-	5.000
Final Distribution	0	-	-	-	-
NAV before Distribution	91.2639	125.5820	95.9277	-	109.2963
NAV after Distribution	124.7473	91.2266	90.3990	-	104.2963
Distribution Date	26-Jun-25	23-Jun-24	22-Jun-23	-	26-Jun-21

Disclaimer

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

During FY25
Summary of Actual Proxy voted by CIS:

	Resolutions	For	Against	Abstain*
Number	5	5	-	-
(%ages)		100%	-	-

Note: The proxy voting policy of the Lakson Tactical Fund is available on the website of Lakson Investments Limited, the Management Company. A detailed information regarding actual proxies voted by the Management Company in respect of the Lakson Tactical Fund is also available without charge upon request to all unit holders.

A Lakson Group Company

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