LAKSON ASSET ALLOCATION DEVELOPED MARKETS 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	BDO Ebrahim & Co. Chartered Accountants 2nd Floor, Block C, Lakson Square, Building No. 1, Sarwar Shaheed Road, Karachi - 74200.
Bankers to the Fund	Allied Bank Limited Bank Alfalah Limited Dubai Islamic Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited Habib Bank AG Zurich National Bank of Pakistan United Bank Limited

Legal Adviser	Fazleghani Advocates F-72/I, Block 8, KDA-5, Kehkashan, Clifton, Karachi, Pakistan.
Registrar	Lakson Investments Limited Lakson Square Building No.2, Sarwar Shaheed Road, Karachi-74200, Pakistan
Distributor	Rabia Fida BMA Capital Management
Rating	1-Star (One Year) 3-Star (Three Years) 3-Star (Five Years) Fund Performance Ranking AM2+ : Asset Manager Rating by PACRA

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

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Asset Allocation Developed Markets Fund ("LAADMF") is pleased to submit its review report together with Condensed Interim Financial Information for the period ended June 30, 2025.

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

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

Fund performance
LAADMF generated an absolute return of 11.45% in the 4QFY25 compared to the benchmark return of 15.35%. The LAADMF has underperformed the benchmark by 3.90%. The Fund maintains 32.7% exposure in ETFs, 21.3% in T-Bills, 35.4% in PIBs and 12.3% in cash. The fund size of the LAADMF as of September 30, 2025, is PKR 1,512.72 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.

Developed Markets Review

Developed equity markets delivered strong gains in FY25, with AI-driven optimism outweighing tariff concerns. The MSCI World Index rose 16.2% over the 12 months to July 2025. In the U.S., the S&P 500 rebounded from tariff-induced volatility to close at a record 6,204.95 (up 14% YoY) on June 30, supported by resilient corporate earnings, fiscal expansion, and heavy AI investment. The NASDAQ outperformed the S&P 500 by 124bps, underscoring tech-driven momentum.

In Europe, the Euro Stoxx 50 rose just 8%, weighed down by elevated energy costs from the prolonged Russia-Ukraine war, which eroded German industrial competitiveness, as well as uncertainty over U.S. tariff policy that clouded the outlook for export-heavy sectors. Japan's Nikkei 225 managed only a 2% gain, reflecting cautious sentiment amid rising competition from China, persistent structural challenges, and demographic headwinds.

Looking ahead, volatility is likely to remain elevated, with market direction shaped by global trade relations, inflation trends, central bank policy, and the long-term impact of AI investment. In the U.S., fiscal sustainability concerns and the path of monetary policy will remain in sharp focus, while Europe continues to grapple with energy dependence, tariff uncertainty, and mounting U.S. pressure to raise defense spending.

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 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 will 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 it 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 ایسیٹ ایلوکیشن ڈیویلپڈ مارکیٹس فنڈ
30 جون 2025ء کوختم ہونے والی مدت کے لیے
مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

لیکسن ایسیٹ ایلوکیشن ڈیویلپڈ مارکیٹس فنڈ("LAADMF") کی مینجمنٹ کمپنی،لیکسن انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز کیلئے 30 جون 2025ء کوختم ہونے والی مدت کے لیے اپنی جائزہ رپورٹ مع مختصر عبوری مالیاتی معلومات پیش کرنا باعث مسرت ہے۔

فنڈ کا مقصد

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

نمایاں سرگرمیاں

LAADMF ایک اوپن اینڈ ایسیٹ ایلوکیشن اسکیم ہےاور پاکستان اسٹاک ایکسچینج لمیٹڈ میں لسٹڈ ہے۔اسکیم کوانویسٹمنٹ مینجمنٹ کے ایک فعال انداز کواختیار کرتے ہوئے چلایا جاتا ہے،جس میں بڑے عوامل جیسے حکومتی پالیسیز،گلوبل اکنامک ڈیٹا،کموڈیٹیز کی قیمتیں اورسپلائی/ڈیمانڈ ڈائنامکس کے تجزیوں کوپیش نظر رکھا جاتا ہے۔اس اسکیم سے ڈومیسٹک گورنمنٹ سیکیورٹیز اورڈیویلپڈ مارکیٹس سیکیورٹیز کے درمیان باہمی تبادلے کے ساتھ سرمایہ کاری کی جاتی ہے، جوڈیویلپڈ مارکیٹس کی کارکردگی کے متعلق انویسٹمنٹس ٹیم کی توقعات کی بنیاد پر ہوتی ہے۔یہ اسکیم ڈیویلپڈ مارکیٹس کی سرمایہ کاری سے متعلق بینچ مارک MSCI World Index کے حوالے سے متعلقہ مما لک کواوورویٹ یا انڈرویٹ کرسکتی ہے۔فکسڈ انکم سیکیورٹیز میں اسکیم کی سرمایہ کاری کودورانیہ اور yield curve مینجمنٹ کے ذریعے حکومتی سیکیورٹیز کی مختلف میچورٹیز کے مابین منتقل کرتے ہوئے منظم کیا جاتا ہے۔

فنڈ کی کارکردگی

لیکسن ایسیٹ ایلوکیشن ڈیویلپڈ مارکیٹس فنڈ نے مالی سال 2025ء کی چوتھی سہ ماہی میں بینچ مارک منافع 15.35% کے مقابلے میں 11.45% کا مطلق منافع حاصل کیا۔فنڈ نے بینچ مارک کے مقابلے میں 3.90% کمتر کارکردگی کا مظاہرہ کیا۔فنڈ نے ETFs میں 32.7%،ٹی بلز میں 21.3%،PIBs میں 35.4% اورکیش میں 12.3% سرمایہ کاری کی ہے۔30 جون 2025ء کے مطابق LAADMF کے فنڈز کا حجم 1,512.72 ملین روپے ہے۔

فی یونٹ آمدنی (EPU)

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

معاشی جائزہ

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 ریزیلیئنس 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۔ اختصاری 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 ردوبدل 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۔

ڈیویلپڈ مارکیٹس کا جائزہ

ترقی یافتہ ایکویٹی مارکیٹوں نے مالی سال 2025 میں اچھا منافع دیا، جہاں مصنوعی ذہانت کے سبب پُر امیدی نے ٹیرف سے متعلق خدشات کو پیچھے چھوڑ دیا۔ MSCI ورلڈ انڈیکس جولائی 2025 تک 12 ماہ میں 16.2% بڑھ گیا۔ امریکہ میں، S&P 500 نے ٹیرف کی وجہ سے ہونے والے اتار چڑھاؤ سے نکل کر 30 جون کو ریکارڈ 6,204.95 (سالانہ 14% اضافہ) پر بند ہوا، جس کی معاونت مستحکم کارپوریٹ آمدنی، مالی توسیع اور AI میں بھاری سرمایہ کاری نے کی۔ NASDAQ نے S&P 500 کو 124 بیسس پوائنٹس سے پیچھے چھوڑ دیا، جو ٹیکنالوجی کی بدولت تیز رفتاری کو اجاگر کرتا ہے۔

یورپ میں، یورو اسٹاکس 50 صرف 8% بڑھا، جو روس-یوکرین جنگ کی وجہ سے بڑھتی ہوئی توانائی کی قیمتوں سے متاثر ہوا، جس نے

جرمن صنعتی مسابقت کو کمزور کیا اور امریکی ٹیرف پالیسی کی غیر یقینی صورتحال نے برآمدات پر منحصر شعبوں کے مستقبل کو دھندلا دیا۔ جاپان کا نکی225 صرف 2% کی نمو حاصل کر سکا، جو چین کی جانب سے بڑھتی ہوئی مسابقت، مستقل اسٹرکچرل چیلنجز اور آبادی سے متعلق مشکلات کے تناظر میں محتاط رویئے کی عکاسی کرتا ہے۔

آگے دیکھتے ہوئے، اتار چڑھاؤ کی بلند سطح کے برقرار رہنے کا امکان ہے، جبکہ مارکیٹ کی سمت عالمی تجارتی تعلقات، افراط زر کے رجحانات، مرکزی بینک کی پالیسی اور AI سرمایہ کاری کے طویل مدتی اثرات سے متاثر ہوگی۔ امریکہ میں مالی پائیداری کے خدشات اور مالیاتی پالیسی کا رخ توجہ کا مرکز بنا رہے گا، جبکہ یورپ بدستور توانائی پر انحصار، ٹیرف کی غیر یقینی صورتحال اور دفاعی اخراجات میں اضافے کے لیے بڑھتے ہوئے امریکی دباؤ سے نمٹتا رہے گا۔

مستقبل کا منظر نامہ

مالی سال2025 میں، پاکستان نے گزشتہ سالوں میں کیے گئے مشکل اقتصادی فیصلوں کے فوائد حاصل کرنا شروع کر دیے۔ افراط زر، اگر چہ 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 سال2025 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 سال2025 کی دوسری ششماہی میں ای ایف ایف پروگرام کا جائزہ کامیابی سے مکمل کرلیا ہے، جس کا دوسرا جائزہ ستمبر2025 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 سال2025ء 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 سال2026 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 ہو جائے 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 ہو جائے 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 ہو سکتا 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۔

اظہار تشکر

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

برائے و منجانب بورڈ

چیف ایگزیکٹو آفیسر　　　　ڈائریکٹر

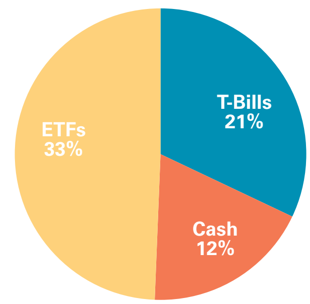
تاریخ: 22 ستمبر 2025ء

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.)	1512.72
NAV (30.06.2025)	185.9908
Pricing Mechanism	Forward Day
Trustee	CDC Pakistan Limited
Auditor	BDO Ebrahim & Co
Management Fee	up to 2.5% of the average annual net
Front End Load	2.50%
Back End Load	None
Launch Date	October 11, 2011
Benchmark	Weighted average daily return of 6M KIBOR and the MSCI World Index based on the Scheme's actual proportion in the debt securities and developed market securities
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



I- Shares 0-3 Month Tbill	As of June 2025
Country	**Exposure**
United States	32.7%

Fund Performance	LAADMF	Benchmark
FY25 - YTD	11.45%	15.35%
June-25	0.85%	1.91%
2 Months	1.65%	4.48%
3 Months	2.65%	5.53%
6 Months	5.10%	7.13%
12 Months	11.45%	15.35%
CY25-YTD	5.02%	7.19%
3 Years	52.01%	88.59%
5 Years	78.61%	135.43%
Since Inception	276.51%	456.96%

*The new benchmark is effective from 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 Asset Allocation Developed Markets Fund ("LAADMF") is to provide long-term capital appreciation by investing in a mix of domestic debt and Developed Markets securities.

The LAADMF achieved its investment objective by investing in a mix of risk free PIBs, T-Bills and Exchange Traded Funds ("ETFs") that tracked the performance of the MSCI World Index. The domestic debt component provides investors with long term capital protection; whereas the international portion aims to provide long term capital appreciation and a powerful currency hedge.

Investment Strategy

The Fund maintained concentration to Developed Market exposure in US markets like the S&P and NASDAQ during the year. The domestic debt component of the LAADMF portfolio was constructed by investing in liquid and risk free instruments like PIBs and T-Bills, which were trimmed at intervals when the market allowed for booking hefty gains. The exposure in T-Bills was managed based on the relative yield analysis of these instruments and our yield curve expectations. High exposure in cash enabled the fund to benefit from lower marked to market volatility, while maintaining liquidity and meeting all its obligations in a timely manner.

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).

Developed Markets Review

Developed equity markets delivered strong gains in FY25, with AI-driven optimism outweighing tariff concerns. The MSCI World Index rose 16.2% over the 12 months to July 2025. In the U.S., the S&P 500 rebounded from tariff-induced volatility to close at a record 6,204.95 (up 14% YoY) on June 30, supported by resilient corporate earnings, fiscal expansion, and heavy AI investment. The NASDAQ outperformed the S&P 500 by 124bps, underscoring tech-driven momentum.

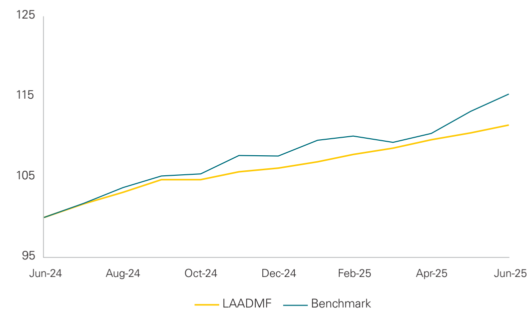
In Europe, the Euro Stoxx 50 rose just 8%, weighed down by elevated energy costs from the prolonged Russia-Ukraine war, which eroded German industrial competitiveness, as well as uncertainty over U.S. tariff policy that clouded the outlook for export-heavy sectors. Japan's Nikkei 225 managed only a 2% gain, reflecting cautious sentiment amid rising competition from China, persistent structural challenges, and demographic headwinds.

Looking ahead, volatility is likely to remain elevated, with market direction shaped by global trade relations, inflation trends, central bank policy, and the long-term impact of AI investment. In the U.S., fiscal sustainability concerns and the path of monetary policy will remain in sharp focus, while Europe continues to grapple with energy dependence, tariff uncertainty, and mounting U.S. pressure to raise defense spending.

Fund Performance

LAADMF generated an absolute return of 11.45% in the 4QFY25 compared to the benchmark return of 15.35%. The LAADMF has underperformed the benchmark by 3.90%. The Fund maintains 32.7% exposure in ETFs, 21.3% in T-Bills, 35.4% in PIBs and 12.3% in cash. The fund size of the LAADMF as of September 30, 2025, is PKR 1,512.72 mln

Performance Table	FY25	FY24
Net Assets - Beginning (PKR Mil.)	1,539.16	1,416
Net Assets - Ending (PKR Mil.)	1,512.72	1,539
Highest Offer Price (PKR)	212.6366	212.7464
Lowest Offer Price (PKR)	190.8864	188.6191
Highest Redemption Price (PKR)	206.7846	206.8914
Lowest Redemption Price (PKR)	185.6330	183.4281
Beginning NAV - Ex-Div. (PKR)	185.8415	185.5763
Interim Distributions (PKR)	21.1082	21.2914
Final Distribution (PKR)	-	-
Ending NAV - Ex-Div. (PKR)	185.9908	185.8415
Return	11.45%	11.56%
Net Income / (Loss) (PKR Mil.)	165.00	164.00



Distributions	FY25	FY24
Interim Distribution	21.1082	21.2914
Final Distribution	-	-
NAV before Distribution	206.9498	206.8914
NAV after Distribution	185.8416	185.6000
Distribution Date	26-Jun-25	25-Jun-24

Income Distribution

The Chief Executive Officer under the authority from Board of Directors of the Management Company declared the interim payout of PKR 21.1082 per unit (21.1082% of face value of PKR 100/-) amounting to PKR 156.7519 million in cash during the year ended June 30, 2025.

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 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 will 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 it 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 performance ranking of "1-Star", three years & five years performance ranking of "3-Star" to the LAADMF 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 LAADMF does not employ any leverage.

Breakdown of Unit Holding by Size

Units Range	No. of Clients	Units Held
Holding upto 100	29	785
101 - 500	7	1,119
501 - 1,000	1	551
1,001 - 5,000	5	11,993
5,001 - 10,000	-	-
10,001 - 50,000	8	227,103
50,001 - 100,000	3	157,184
100,001 - 500,000	3	724,606
500,001 - 1,000,000	4	2,168,014
1,000,001 - 5,000,000	2	4,841,975
5,000,001 - above	-	-
	62	**8,133,331**

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Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

LAKSON ASSET ALLOCATION DEVELOPED MARKETS 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 Asset Allocation Developed Markets 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 26, 2025

BDO

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INDEPENDENT AUDITOR'S REPORT ON THE AUDIT FINANCIAL STATEMENTS TO THE UNIT HOLDERS' OF LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND

Opinion

We have audited the financial statements of **Lakson Asset Allocation Developed Markets 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 cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

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 in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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 period. These matters were 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 these matters.

Following is the key audit matter:

S.NO	Key audit matter	How the matter was addressed in our audit
1.	**Existence and Valuation of bank balances and investments** As disclosed in note 5 & 6 to the accompanying financial statements is the bank balances and investments amounting to Rs.186.63 million and Rs.1,352.46 million represents 99.18% of the total assets. The existence of bank balances and existence and valuation of investments are significant components of statement of assets and liabilities for determination of net asset value of the fund as at June 30, 2025.	**Our audit procedures among others included the following:** • Obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2025 and traced it with books and records of the Fund. Where such confirmations were not available alternate audit procedures were performed;

S.NO	Key audit matter	How the matter was addressed in our audit
1.	We considered existence of bank balances and existence and valuation of investments as Key audit matter due to significance of these in relation to total assets.	• Re-performed valuation to assess that investment are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis. • Assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations. • Evaluated the adequacy of the disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of accounting and reporting standard as applicable in Pakistan and the NBFC Regulations.

Information other than the Financial Statements and Auditor's report thereon

The 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 nothing to report in this regard.

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

The Management Company 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 Company 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, the management company 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 the Management Company 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 is 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.

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 the 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 the Board of Directors 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 the Board of Directors 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

Based on our audit, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

DATED: SEPTEMBER 30, 2025

UDIN: AR202510067GkPtECFRm

LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
ASSETS			
Bank balances	5	186,631,796	63,198,259
Investments	6	1,352,463,223	1,486,570,596
Accrued mark-up and other receivable	7	12,709,917	18,329,203
TOTAL ASSETS		1,551,804,936	1,568,098,058
LIABILITIES			
Payable to Lakson Investments Limited Management Company	8	8,067,579	8,046,455
Payable to the Central Depository Company of Pakistan Limited-Trustee	9	238,602	235,874
Payable to the Securities and Exchange Commission of Pakistan	10	119,025	120,206
Accrued expenses and other liabilities	11	30,654,750	20,538,178
TOTAL LIABILITIES		39,079,956	28,940,713
NET ASSETS		1,512,724,980	1,539,157,345
UNIT HOLDERS' FUND (AS PER ATTACHED STATEMENT)		1,512,724,980	1,539,157,345
CONTINGENCIES AND COMMITMENTS	13		
		-------------Number of units-------------	
NUMBER OF UNITS IN ISSUE	14	8,133,331	8,282,094
		------------------Rupees------------------	
NET ASSETS VALUE PER UNIT		185.9908	185.8415

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Lakson Investments Limited
(Management Company)

CHIEF EXECUTIVE OFFICER | **CHIEF FINANCIAL OFFICER** | **DIRECTOR**

LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Income			
Realized gain on sale of investments - net		5,075,050	185,849
Unrealized appreciation / (diminution) on investments at fair value through profit or loss - net		50,272,780	(3,892,076)
Dividend income on investments		-	3,930,044
Markup on bank balances		3,538,852	6,598,270
Markup on investments		151,733,610	206,089,651
Exchange gain / (loss) on foreign currency current account		747,014	(547,304)
		211,367,306	212,364,434
Expenses			
Remuneration of Lakson Investments Limited-Management Company	8.1	34,251,290	34,985,455
Sindh sales tax on remuneration of the Management Company	8.2	5,133,901	4,548,109
Remuneration of Central Depository Company of Pakistan Limited-Trustee	9	2,900,343	2,811,249
Annual fee to the Securities and Exchange Commission of Pakistan	10	1,446,166	1,413,448
SECP supervisory fee		2,500	2,500
Auditors' remuneration	15	623,743	553,457
Legal and professional fees		208,750	146,250
Credit rating fee		33,925	20,340
Brokerage, custody, settlement and bank charges		1,607,073	3,445,411
Total expenses		46,207,691	47,926,219
Net income for the year before taxation		165,159,615	164,438,215
Taxation	16	-	-
Net income for the year		165,159,615	164,438,215
Allocation of net income for the year:			
Net income for the year after taxation		165,159,615	164,438,215
Income already paid on units redeemed		(7,193,494)	(26,466,901)
		157,966,121	137,971,313
Accounting income available for distribution:			
Relating to capital gains		53,198,916	-
Excluding capital gains		104,767,205	137,971,313
		157,966,121	137,971,313
Earnings per unit	17		

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Lakson Investments Limited
(Management Company)

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	2025 Rupees	2024 Rupees
Net income for the year	165,159,615	164,438,215
Other comprehensive income for the year	-	-
Total comprehensive income for the year	165,159,615	164,438,215

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Lakson Investments Limited
(Management Company)

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2025

	For the year ended June 30,					
	2025			2024		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	---------- (Rupees) ----------					
Net assets at beginning of the year	1,428,173,132	110,984,214	1,539,157,346	1,306,571,347	109,000,315	1,415,571,662
Issuance of 709,957units (2024: 3,668,981 units)						
Capital value	131,933,619	-	131,933,619	657,150,023	-	657,150,023
Element of income	7,294	-	7,294	24,691,405	-	24,691,405
Total proceeds on issuance of units	131,940,913	-	131,940,913	681,841,428	-	681,841,428
Redemption of 858,720units (2024: 3,014,861 units)						
Capital value	(159,585,845)	-	(159,585,845)	(559,486,672)	-	(559,486,672)
Element of loss	(1,602)	(7,193,494)	(7,195,096)	(752,970)	(26,466,901)	(27,219,872)
Total payments on redemption of units	(159,587,447)	(7,193,494)	(166,780,941)	(560,239,642)	(26,466,901)	(586,706,544)
Total comprehensive income for the year	-	165,159,615	165,159,615	-	164,438,215	164,438,215
Interim cash distribution during the year @ Rs. 21.1082 on 26th June 2025 (2024: Rs. 21.2914)	-	(156,751,953)	(156,751,953)	-	(135,987,415)	(135,987,415)
Net assets as at end of the year	1,400,526,598	112,198,382	1,512,724,980	1,428,173,132	110,984,214	1,539,157,346
Undistributed income brought forward:						
Realized income		114,876,289			34,413,724	
Unrealized (loss) / income		(3,892,076)			74,586,591	
		110,984,213			109,000,315	
Accounting income available for distribution:						
Relating to capital gains		53,198,916			-	
Excluding capital gains		104,767,205			137,971,314	
		157,966,121			137,971,314	
Interim cash distribution during the year @ Rs. 21.1082 on 26th June 2025 (2024: Rs. 21.2914)		(156,751,953)			(135,987,415)	
Undistributed income at end of the year		112,198,382			110,984,214	
Undistributed income brought forward						
Realized income		61,925,602			114,876,289	
Unrealized income / (loss)		50,272,780			(3,892,076)	
Undistributed income at end of the year		112,198,382			110,984,213	
Net assets value per unit at beginning of the year			185.8415			185.5763
Net assets value per unit at end of the year			185.9908			185.8415

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Lakson Investments Limited
(Management Company)

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	2025 Rupees	2024 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Net income before taxation	165,159,615	164,438,215
Adjustments for:		
Realized gain on sale of investment at fair value	(5,075,050)	(185,849)
Unrealized (appreciation) / diminution on investments at fair value through profit or loss - net	(50,272,780)	3,892,076
Dividend income on investments	-	(3,930,044)
Markup on bank balances and Government securities	(155,272,462)	(212,687,922)
	(45,460,677)	(48,473,524)
Decrease/(Increase) in assets		
Investments	189,455,203	(95,173,525)
Other receivable and advance tax	5,619,286	(11,530,715)
	195,074,489	(106,704,240)
Increase in liabilities		
Payable to Lakson Investments Limited Management Company	21,126	(52,796)
Payable to the Central Depository Company of Pakistan Limited-Trustee	2,728	11,772
Payable to the Securities and Exchange Commission of Pakistan	(1,181)	(104,478)
Accrued expenses and other liabilities	10,116,572	901,790
	10,139,245	756,288
Dividend income	-	3,930,044
Markup received	155,272,461	212,687,920
Net cash generated from operating activities	315,025,518	62,196,488
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	131,940,913	681,841,428
Payments on redemption of units	(166,780,941)	(586,706,544)
Cash distribution	(156,751,953)	(135,987,415)
Net cash used in financing activities	(191,591,981)	(40,852,533)
Net increase in cash and cash equivalents	123,433,537	21,343,955
Cash and cash equivalents at beginning of the year	63,198,259	41,854,303
Cash and cash equivalents at end of the year	186,631,796	63,198,259

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Lakson Investments Limited
(Management Company)

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 The Lakson Asset Allocation Developed Markets Fund) (the "Fund") was established under the Trust Deed executed on May 30, 2011 between the Lakson Investments Limited as its Management Company and the Central Depository Company of Pakistan Limited (CDC) as its Trustee. The Fund has been registered as a Notified Entity on July 7, 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 Fund is an open end mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

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

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

1.4 Pakistan Credit Rating Company Limited (PACRA) has maintained the rating of the Management Company of the Fund to the scale 'AM2+' (stable outlook) vide its report dated August 22, 2025 (2024: AM2+ as on August 23, 2024).

On 23 May 2024 VIS credit rating company limited assigned following rankings to the Fund based on the performance review for the year ended June 30, 2024:

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

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

These 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 Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost basis, except for investments that are stated at fair values.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees ('Rupees' or 'Rs'), which is also the Fund's functional and presentation currency of the fund.

2.4 Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future periods. The estimates and judgments that have a significant effect on the financial statements are follows:

	Note
Classification and valuation of financial assets	4.1 & 4.1.1
Impairment of financial assets	4.1.4
Provisions	4.2.7

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

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

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

3.2 New accounting standards, amendments and interpretations that are not yet effective

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

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However, SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

4 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. The accounting policies have been consistently applied for all period presented.

4.1 Financial instruments

Initial recognition and measurement

The Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

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

4.1.1 Classification and subsequent measurement

Financial assets

There are three principal classification categories for financial assets:

- At amortised cost (AC);
- At fair value through other comprehensive
- At fair value through profit or loss (FVPL).

Financial assets at amortized cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL;

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset classified at amortised cost is subsequently carried at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Profit / markup income, foreign exchange gains and losses and impairment are recognised in income statement.

Financial asset at FVTOCI

A financial asset is classified at FVTOCI only if it meets both of the following conditions and is not designated as FVTPL;

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

Financial assets at FVTOCI are measured at fair value with gains and losses arising due to changes in fair value recognised in OCI, except for the recognition of impairment losses. In case of debt instrument, when the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from OCI to income statement.

Financial asset at FVTPL

All other financial assets are classified as FVTPL (Debt securities not classified either as Amortised Cost or FVTOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset, that otherwise meets the requirements to be measured at amortised cost or at FVTOCI, as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets designated at fair value through profit or loss are subsequently carried at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.

Business model

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Fund's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;

- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and

- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

The Fund has determined that it has two business models:

- Held-to-collect business model: This includes cash and cash equivalents and receivables , if any. These financial assets are held to collect contractual cash flow.

  Other business model: This includes Government Ijara Sukkus. These financial assets are held for trading and managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (eg. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

4.1.2 Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Fund were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

4.1.3 Financial liabilities

The Fund classifies its financial liabilities in the

- At amortised cost (AC),
- At fair value through profit or loss (FVPL).

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Fund has opted to measure them at FVTPL, and also subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in income statement. Any gain or loss on derecognition is also recognised in income statement.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires as follows:

- The amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in income statement.

- Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to income statement.

4.1.4 Impairment of financial assets

The Fund at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds the recoverable amount.

The SECP through its letter SCD /AMCW / RS / MUFAP / 2017-148 dated November 21, 2017 has deferred the applicability of impairment requirements of IFRS 9 in relation to debt securities for mutual funds and has instructed to continue to follow the requirements of Circular No. 33 of 2012 dated October 24, 2012.

4.1.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is recognised in income statement.

The Fund derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in income statement.

The Fund derecognises a derivative only when it meets the derecognition criteria for both financial assets and financial liabilities. Where the payment or receipt of variation margin represents settlement of a derivative, the derivative, or the settled portion, is derecognised.

4.1.6 Fair value measurement principles and provision

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non performance risk.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

4.1.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.1.8 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.1.9 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 stock exchange regulations.

4.1.10 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.2.1 Regular way contracts

All purchases and sales of securities that require delivery within the timeframe established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

4.2.2 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 / Management Company during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load is payable to the 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 assets value per unit as of the close of the business day less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.2.3 Net assets value per unit

The net assets value per unit 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.

4.2.4 Revenue recognition

4.2.5 Element of income / loss and capital gains / losses in prices of units sold less those in units redeemed

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

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 same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on the issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution.

As per the guidelines provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price. Income already paid on redemption of units during the year are taken separately in the statement of movement in unitholders' fund.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unitholders' fund.

4.2.6 Taxation

The Fund is exempt from taxation under clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains whether realized or unrealized 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.

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.

4.2.7 Provisions

Provisions are recognised when the Fund has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and reliable estimate of the amount can be made. Provision are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

4.2.8 Dividend distribution

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. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted for the effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

4.2.9 Other assets

Other assets are stated at cost less impairment losses, if any.

4.3.1 Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the conversion of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in the income statement.

4.3.2 Earnings per unit (EPU)

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.

4.3.3 Expenses

All expenses including NAV based expenses are recognised in the income statement on a time apportionment basis.

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
5 BANK BALANCES			
Local currency			
In current accounts		8,504	8,504
In savings account	5.1	147,984,160	23,724,839
		147,992,664	23,733,343
Foreign currency			
In current account	5.2	38,639,132	39,464,916
		186,631,796	63,198,259

5.1 These carry mark-up rates ranging from 8.0% to 20.5% (2024: from 19.5% to 20.5%) per annum.

5.2 This represents USD denominated current account maintained in a foreign country amounting to USD 136,145 (2024: USD 141,787).

		Note	June 30, 2025 Rupees	June 30, 2024 Rupees
6	**INVESTMENTS**			
	At fair value through profit or loss			
	Market Treasury Bills	6.1	320,961,847	505,127,625
	Pakistan Investment Bonds	6.2	536,119,500	525,450,500
			857,081,347	1,030,578,125
	Exchange Traded Funds (Foreign Investments)	6.3	495,381,876	455,992,471
			1,352,463,223	1,486,570,596

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

Tenure	Issue Date	Date of Maturity	------------------------Number of units----------------------				As at June 30, 2025			Market value as % of total investments (based on market value)	Market value as % of net assets (based on market value)
			Holding as at July 01, 2024	Purchases during the year	Disposed / matured during the year	Holding as at June 30, 2025	Carrying Value	Market Value	Unrealised appreciation / (diminution)		
							--------------------- (Rupees) ---------------------				
Treasury bills - 01 year	18-Oct-23	17-Oct-24	-	1,735,000	1,735,000	-	-	-	-	0.00%	0.00%
Treasury bills - 01 year	27-Dec-23	26-Dec-24	3,500,000	4,440,000	7,940,000	-	-	-	-	0.00%	0.00%
Treasury bills - 01 year	24-Jan-24	23-Jan-25	500,000	-	500,000	-	-	-	-	0.00%	0.00%
Treasury bills - 01 year	17-Apr-24	17-Apr-25	-	1,000,000	1,000,000	-	-	-	-	0.00%	0.00%
Treasury bills - 03 months	26-Apr-24	25-Jul-24	1,430,000	-	1,430,000	-	-	-	-	0.00%	0.00%
Treasury bills - 01 year	24-Jul-24	24-Jul-25	-	3,000,000	2,130,000	870,000	86,356,205	86,389,782	33,577	5.71%	6.39%
Treasury bills - 01 year	27-Nov-24	27-Nov-25	-	2,450,000	-	2,450,000	234,391,268	234,572,065	180,797	15.51%	17.34%
Treasury Bills - 3 month	30-Nov-24	28-Feb-25	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
Treasury Bills - 3 month	28-Mar-25	26-Jun-25	-	970,000	970,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2025							320,747,473	320,961,847	214,374	21.22%	23.73%
Total as at June 30, 2024							506,317,502	505,127,625	(1,189,877)	32.82%	33.98%

6.1.1 These represent 1 year Treasury bills carrying a fixed mark-up rate of 21.9% & 11.65% per annum and will mature at July 24, 2025 & November 27, 2025. The face value of Treasury Bills held as at June 30, 2025 amounted to Rs. 332 million. (June 30, 2024: 543 million)

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

Tenure	Note #	Date of Maturity	Mark-up rate	------------------------Number of units----------------------				As at June 30, 2025			Market value as % of total investments (based on market value)	Market value as % of net assets (based on market value)
				Holding as at July 01, 2024	Purchases during the year	Disposed / matured during the year	Holding as at June 30, 2025	Carrying Value	Market Value	Unrealised appreciation / (diminution)		
								--------------------- (Rupees) ---------------------				
Pakistan Investment Bond - 5 Year	6.2.1	19-Oct-28	22.85%	3,590,000	-	-	3,590,000	347,332,500	354,153,500	6,821,000	23.41%	26.19%
Pakistan Investment Bond - 5 Year	6.2.2	14-Dec-28	21.33%	1,850,000	-	-	1,850,000	179,062,440	181,966,000	2,903,560	12.03%	13.45%
Total as at June 30, 2025								**526,394,940**	**536,119,500**	**9,724,560**	**35.44%**	**39.64%**
Total as at June 30, 2024								**528,421,190**	**525,450,500**	**(2,970,690)**	**34.14%**	**35.35%**

6.2.1 This represents investments in 5 years Pakistan Investment Bond carrying an effective profit rate of 22.85% and having maturity on 19 October 2028. The face value of Pakistan Investment Bond as at June 30, 2025 amounted to Rs. 359 million.

6.2.2 This represents investments in 5 years Pakistan Investment Bond carrying an effective profit rate of 21.33% and having maturity on 14 December 2028. The face value of Pakistan Investment Bond as at june 30,2025 amounted to Rs. 185 million.

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

Name of Investments	Note #	Date of Maturity	Custodian	------------------------Number of units----------------------				As at June 30, 2025			Market value as % of total investments (based on market value)	Market value as % of net assets (based on market value)
				Holding as at July 01, 2024	Purchases during the year	Disposed / matured during the year	Holding as at June 30, 2024	Carrying Value	Market Value	Unrealised appreciation / (diminution)		
								--------------------- (Rupees) ---------------------				
Ishares USD Treasury Bond 3-7 Years UCITS ETF	6.3.3	3 to 7-Years	Habib Bank AG	-	12,500	-	12,500	455,992,471	495,381,876	39,389,405	32.75%	36.63%
Total as at June 30, 2025								455,992,471	495,381,876	39,389,405	32.75%	36.63%
Total as at June 30, 2024								456,726,734	455,992,471	(734,263)	29.63%	30.67%

6.3.1 Ishares USD Treasury Bond 3-7 Years UCITS ETF seeks to track the performance of an index composed of US Dollar denominated government bonds issued by the US Treasury. These are valued at the rates quoted on a daily basis by the London Stock Exchange. Total value of the units at USD 139.66 per unit at the year ended amounted to USD 1,745,750 (2024:USD 131.06 per unit at the year ended amounted to USD 1,638,250).

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

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
7 ACCRUED MARK-UP AND OTHER RECEIVABLES			
Markup Receivable on:			
Profit and loss sharing bank balances		504,801	284,709
Profit receivable on Government Securities		11,258,522	17,097,900
		11,763,323	17,382,609
Advance tax	7.1	946,594	946,594
		12,709,917	18,329,203

7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax. The amount of withholding tax deducted on markup on bank deposits has been shown as advance tax as at June 30, 2025, as in the opinion of the management, the amount of tax deducted at source will be refunded.

8 PAYABLE TO THE MANAGEMENT COMPANY

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
Management remuneration	8.1	2,824,413	2,852,352
Sindh Sales Tax payable on management remuneration	8.2	419,868	370,806
Federal Excise Duty on: Management Company's remuneration	8.3	4,823,298	4,823,298
		8,067,579	8,046,455

8.1 As per regulation 61 of the Non-Banking Finance Companies 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 2.25% of average annual net assets of the fund, calculated on daily basis. The effective management fee rate for the year ended June 30, 2025 is 2.25% of average annual net assets calculated on daily basis.

8.2 The Sindh Provincial Government has levied Sindh Sales Tax (SST) at the rate of 15% (2024: 13%) on the remuneration of management company through Sindh Sales Tax on Services Act, 2011.

8.3 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 June 30 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of prudence the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 4.823 million is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the net asset value of the Fund as at June 30, 2025 would have been higher by Rs. 0.59 (2024: Rs.0.58) per unit.

	Note	June 30, 2025 Rupees	June 30, 2024 Rupees
9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Trustee remuneration payable	9.1	207,721	208,738
Sindh Sales tax payable on Trustee fee	9.2	30,881	27,136
		238,602	235,874

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at a flat rate of 0.055% (2024: 0.055%) per annum of net assets.

9.2 Sindh sales tax at the rate of 15% (2024: 13%) was charged on trustee remuneration.

10 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.095% of average net assets, payable monthly to the Commission (2024: 0.095%).

11 ACCRUED EXPENSES AND OTHER LIABILITIES

	June 30, 2025 Rupees	June 30, 2024 Rupees
Brokerage payable	-	1,701
Auditor's remuneration	472,757	395,034
Custody fee payable	2,715	57,736
Rating fee payable	82,779	86,174
Professional fees payable	782,384	713,884
Withholding tax payable on dividend	24,980,337	14,789,959
CGT Payable	47	120,980
Other liabilities	4,333,731	4,372,709
	30,654,750	20,538,178

12 TOTAL EXPENSE RATIO

The Total Expense Ratio of the Fund is 3.04% (2024: 3.22%) as at June 30, 2025, and this includes 0.46% (2024: 0.43%) representing Government Levy and SECP fee. As per the NBFC Regulation the total expense ratio of the Asset Allocation Scheme shall be capped up to 4.5% (excluding the government levy).

13 CONTINGENCIES AND COMMITMENTS

Other than the tax contingency disclosed in note 16.2 to the financial statements, there were no contingencies and commitments as at June 30, 2025.

14 NUMBER OF UNITS IN ISSUE

Total units in issue at beginning of the year	8,282,094	7,627,973
Units issued during the year	709,957	3,668,981
Units redeemed during the year	(858,720)	(3,014,861)
	8,133,331	8,282,093

	June 30, 2025 Rupees	June 30, 2024 Rupees

15 AUDITOR'S REMUNERATION

Annual audit fee	326,700	297,000
Fee for the review of half yearly financial statements	138,336	125,760
Report on agreed upon procedures in respect of investment abroad	66,000	60,000
Sales tax expense	46,203	38,621
Out of pocket expenses	46,504	32,076
	623,743	553,457

16 TAXATION

16.1 The Fund's income is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule of 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 management has distributed more than 90% of income earned during current year as reduced by capital gains, whether realised or unrealised, to its unit holders, therefore, no provision for taxation has been recorded in these financial statements.

16.2 During the year ended June 30, 2014 FBR had issued show cause notices to the Fund under section 122(9) for the amendment of assessment on the grounds that exemption from tax claimed under clause 99 of Part-I of the Second Schedule is not as per law. Total tax including Workers' Welfare Fund payable as per the amended assessment is Rs. 7.203 million and Rs 19.001 million for the tax years 2012 and 2013 respectively. A suit has been in the High Court of Sindh for declaration and permanent injunction for which a stay order has been granted by the Sindh High Court. The management expects a favorable outcome and accordingly, no provision has been recorded in respect of this matter.

17 EARNINGS PER UNIT

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

18 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons include Lakson Investments Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee of the fund, SIZA Services (Private) Limited being the Holding Company of the Management Company, associated companies of the Management Company, key management personnel, other funds being managed by the Management Company, staff retirement benefits of related parties and other entities having holding more than 10% in the units of the Funds as June 30, 2025.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

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

18.1 Details of balances with related parties / connected persons at the year end

	Note	2025 Rupees	2024 Rupees
Lakson Investments Limited - Management Company of the Fund			
Remuneration payable	18.4	2,824,413	2,852,352
Sindh Sales Tax on Management Company's remuneration*		419,868	370,806
Federal Excise Duty Management Company's remuneration*		4,823,298	4,823,298

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

	Note	2025 Rupees	2024 Rupees
Central Depository Company of Pakistan Limited - Trustee of the Fund			
Remuneration payable (including Sindh Sales tax of Rs. 31,122 (2024: Rs. 27,136)	18.4	238,602	235,874
Habib Bank AG Zurich - Custodian			
Bank Deposits		38,639,132	39,464,916
Custodian fee payable		2,715	57,736

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

	2025 Rupees	2024 Rupees
Lakson Investments Limited - Management Company of the Fund		
Remuneration for the year	34,251,290	34,985,455
Sindh sales tax on remuneration of Management Company *	5,133,901	4,548,109
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Remuneration for the year (including Sindh Sales tax of Rs. 378,306 (2024: 323,418)*	2,900,343	2,811,249
Habib Bank AG Zurich - Custodian		
Brokerage and settlement charges	15,713	2,234,322
Custody charges	1,517,776	1,104,039

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

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

	Number of units as at July 01, 2024	Units issued during the year	Refund of capital	Units redeemed during the year	Number of holdings at the year ended 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 at the year end June 30, 2025 (Investment at current NAV)
	Year ended June 30 2025									
	---- Number of units ----					---- (Rupees) ----				
Lakson Investments Limited	201,945	17,203	-	-	219,148	37,529,691	3,197,016	4,262,687	-	40,759,424
Directors, Chief Executive and their spouse and minors	4,991,122	380,090	-	529,239	4,841,973	927,557,690	70,636,745	94,182,327	104,437,938	900,562,631
Key management personnel, employees and connected persons of the Management Company	-	0	-	-	0	134	11	15	-	86
Other key management personnel	-	-		-	-	-	-		-	-
	5,193,067	397,293	-	529,239	5,061,121	965,087,515	73,833,772	98,445,029	104,437,938	941,322,141
Associated companies / undertakings of the Management Company										
Accuray Surgical Limited Employees Contributory Provident Fund	28,465	2,677	-	4,895	26,247	5,289,904	-	497,520	920,375	4,881,717
Century Insurance Company Limited Gratuity Fund	48,160	5,379	-	806	52,733	8,950,090	-	999,550	150,000	9,807,786
Century Insurance Company Limited Employees Contributory Provident Fund Trust	39,452	4,338	-	1,263	42,527	7,331,753	-	806,094	235,000	7,909,567
Century Paper & Board Mills Limited ECPFT	498,258	56,144	-	3,950	550,452	92,596,923	-	10,433,938	735,000	102,378,928
Century Paper & Board Mills Limited EGF	470,148	53,400	-	-	523,548	87,372,917	-	9,923,968	-	97,375,045
Colgate Palmolive Pakistan Limited ECPFT	449,832	51,093	-	-	500,924	83,597,406	-	9,495,138	-	93,167,328
Colgate Palmolive Pakistan Limited EGF	540,444	60,493	-	7,847	593,091	100,436,932	-	11,242,172	1,460,000	110,309,415
Cyber Internet Services (Private) Limited Employees CPFT	257,538	29,252	-	-	286,790	47,861,165	-	5,436,154	-	53,340,218
Hasanali Karabhai Foundation ECPF Trust	5,501	312	-	-	5,813	1,022,247	-	116,109	-	1,081,169
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	1,380	78	-	-	1,458	256,379	-	29,120	-	271,159
Lakson Investments Limited ECPFT	32,746	3,658	-	537	35,867	6,085,637	-	679,873	100,000	6,670,985
Merit Packaging Limited Employees Contributory Provident Fund Trust	45,845	5,207	-	-	51,052	8,519,952	-	967,711	-	9,495,284
Merit Packaging Limited Employees Gratuity Fund	24,536	2,787	-	-	27,323	4,559,760	-	517,905	-	5,081,744
Siza Foods Private Limited Employees Contributory Provident Fund Trust	221,056	22,304	-	24,689	218,670	41,081,332	-	4,144,938	4,700,000	40,670,583
Siza Services Private Limited Employees Contributory Provident Fund Trust	23,002	2,613	-	-	25,615	4,274,669	-	485,524	-	4,764,097
Sybrid (Private) Limited ECPFT	49,727	5,447	-	1,774	53,400	9,241,302	-	1,012,207	330,000	9,931,881
NayaPay (Private) Limited Employee Contributory Provident Fund	24,018	2,046	-	-	26,064	4,463,602	-	506,984	-	4,847,731

	Year ended June 30 2024									
	Number of units as at July 01, 2023	Units issued during the year	Refund of capital	Units redeemed during the year	Number of holdings at the year ended 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 at the year end June 30, 2024 (Investment at current NAV)
	---------- Number of units ----------					------ (Rupees) ----------				
Lakson Investments Limited	74,555	126,226	1,164		201,945	13,835,608	20,500,000	3,698,290	-	37,529,691
Directors, Chief Executive and their spouse and minors	4,803,275	681,541	14,638	508,332	4,991,122	891,374,054	49,375,711	94,067,026	82,219,178	927,557,690
Key management personnel, employees and connected persons of the Management Company	21,438	35	0	21,472	1	3,978,443	6,671	-	3,948,782	134
Other key management personnel	-	-		-	-	-	-	-	-	-
	4,899,268	807,801	15,802	529,804	5,193,068	909,188,105	69,882,382	97,765,316	86,167,960	965,087,515
Associated companies / undertakings of the Management Company										
Accuray Surgical Limited Employees Contributory Provident Fund	26,495	27,331	1,134	26,495	28,465	4,916,928	5,283,304	333,304	5,149,958	5,289,904
Century Insurance Company Limited Gratuity Fund	44,850	46,242	1,918	44,850	48,160	8,323,150	8,938,923	563,923	8,717,613	8,950,090
Century Insurance Company Limited Employees Contributory Provident Fund Trust	39,994	42,468	1,571	44,582	39,452	7,421,917	8,211,956	461,956	8,688,168	7,331,753
Century Paper & Board Mills Limited ECPFT	425,140	478,263	19,995	425,140	498,258	78,895,998	92,481,370	5,806,370	82,635,151	92,596,923
Century Paper & Board Mills Limited EGF	406,044	451,335	18,812	406,044	470,148	75,352,142	87,263,892	5,488,892	78,923,339	87,372,917
Colgate Palmolive Pakistan Limited ECPFT	393,252	431,786	18,046	393,252	449,832	72,978,289	83,493,085	5,243,085	76,436,982	83,597,406
Colgate Palmolive Pakistan Limited EGF	446,233	518,830	21,614	446,233	540,444	82,810,297	100,311,606	6,311,606	86,734,962	100,436,932
Cyber Internet Services (Private) Limited Employees CPFT	221,384	247,204	10,333	221,384	257,538	41,083,621	47,801,439	3,001,439	43,030,715	47,861,165
Hasanali Karabhai Foundation ECPF Trust	5,761	5,277	223	5,761	5,501	1,069,027	1,020,956	65,651	1,119,692	1,022,247
Lakson Business Solutions Limited Employees Contributory Provident Fund Trust	1,277	103	-	-	1,380	236,983	19,033	27,189	-	256,379
Lakson Investments Limited ECPFT	26,109	33,316	1,349	28,028	32,746	4,845,270	6,450,103	375,103	5,450,318	6,085,637
Merit Packaging Limited Employees Contributory Provident Fund Trust	41,754	44,006	1,839	41,754	45,845	7,748,568	8,509,320	534,320	8,115,799	8,519,952
Merit Packaging Limited Employees Gratuity Fund	26,819	26,883	980	30,146	24,536	4,976,943	5,199,055	288,190	5,862,913	4,559,760
Siza Foods Private Limited Employees Contributory Provident Fund Trust	232,885	251,069	8,894	271,792	221,056	43,217,886	48,571,757	2,571,757	53,263,069	41,081,332
Siza Services Private Limited Employees Contributory Provident Fund Trust	19,450	22,086	916	19,450	23,002	3,609,415	4,269,336	269,336	3,780,478	4,274,669
Sybrid (Private) Limited ECPFT	43,829	47,733	1,994	43,829	49,727	8,133,608	9,229,770	579,770	8,519,088	9,241,302
NayaPay (Private) Limited Employee Contributory Provident Fund	-	21,605	2,414	-	24,018	-	4,457,802	11,146	-	4,463,602

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

18.5 Dividend income is recognized at the amount declared by the investee company. Dividend distributed by the fund is recognized at the amount/units declared to all the unit holders.

18.6 Purchase and redemption of the Fund's unit by related parties / connected persons are recorded at the applicable net asset value per unit. Other transactions are at agreed rates.

19 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Introduction and overview

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

- credit risk (refer note 18.1)
- liquidity risk (refer note 18.2)
- market risk (refer note 18.3)
- operational risk (refer note 18.4)

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 the limits established by the management company, Fund's constitutive documents 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 deposits with banks and financial institutions, investments in equity traded funds and as a result of dividend receivable on equity securities and markup receivable.

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 and guidelines issued from SECP from time to time. 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 minimise 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 minimise the risk of default.

- Analysing 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.

- Credit risk on dividend receivable is minimal due to statutory protection.

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 Asset and Liabilities	Maximum exposure	Balance as per the Statement of Asset and Liabilities	Maximum exposure
	---------- (Rupees) ----------			
Bank balances (including profit due)	187,136,596	187,136,596	63,482,968	63,482,968
Investments	1,352,463,223	-	1,486,570,596	-
	1,539,599,819	187,136,596	1,550,053,564	63,482,968

Bank balances (including profit)

The Fund's cash and cash equivalents at June 30, 2025 with banks had following credit ratings:

Rating	2025 Rupees	2024 Rupees	2025 %	2024 %
A1+	148,497,464	24,018,053	79.35	37.83
Other*	38,639,132	39,464,916	20.65	62.17
Total balance	187,136,596	63,482,969	100	100

Above ratings are on the basis of available ratings assigned by PACRA and VIS Credit Rating Company Limited (Formally JCR-VIS Credit Rating Company Limited) as of June 30 2025.

* The reported balance is in Habib Bank AG Zurich Switzerland. Rating of the bank is not available, however, the management consider 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:

	2025		2024	
	Rupees	%	Rupees	%
Commercial banks	187,136,596	100.00	63,482,968	100.00
	187,136,596	100	63,482,968	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.

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 a broker to ensure that a trade is 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 are 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 net asset value 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. 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 may be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirement.

In accordance with regulation 58(1)(k) of the NBFC regulations, 2008, the Fund is entitled to borrow, with prior approval of trustee, for meeting redemptions. No such borrowings were made during the year. 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 borrowing 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, can also 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.

	2025	
	Contractual cash flows	
	Carrying amount	Less than 3 month
	----------------- (Rupees) -----------------	
Financial liabilities		
Payable to the Management Company *	7,647,711	7,647,711
Remuneration payable to the Trustee *	207,721	207,721
Accrued expenses and other liabilities *	29,872,366	29,872,366
Payable to the Securities and Exchange Commission of Pakistan	119,025	119,025
	37,846,823	37,846,823
Unit holders' fund	1,512,724,980	1,512,724,980

	2024	
	Contractual cash flows	
	Carrying amount	Less than 3 month
	----------------- (Rupees) -----------------	
Financial liabilities		
Payable to the Management Company *	7,675,649	7,675,649
Remuneration payable to the Trustee *	208,738	208,738
Accrued expenses and other liabilities *	5,760,595	5,760,595
Payable to the Securities and exchange	120,206	120,206
Unit holders' fund	1,539,157,345	1,539,157,345

* excluding provision for Sindh workers' welfare fund, federal excise duty on Management Company's remuneration, annual fee payable to the Securities and Exchange Commission of Pakistan and Sindh Sales Tax payable on Management Company's remuneration income for the year and trustee fee.

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 equity price risk.

19.3.1 Foreign 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 and investments in foreign exchange traded funds which are 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 are as follows:

	2025	
	Rupees	**USD**
Financial assets		
Bank balance	38,639,132	136,167
Exchange traded funds (foreign investments)	495,381,876	1,745,750
On balance sheet gap in foreign currency exposure	534,021,008	1,881,917

	2024	
	Rupees	**USD**
Financial assets		
Bank balance	39,464,916	141,787
Exchange traded funds (foreign investments)	455,992,471	1,638,250
On balance sheet gap in foreign currency exposure	495,457,387	1,780,037

The following significant exchange rates applied during the year:

	Average rates		Balance sheet date rate	
	2025	2024	2025	2024
Rupees / US Dollars	281.27	283.08	283.75	278.34

A five percent strengthening of Pakistani Rupee against US dollar would have decreased the net assets of the fund by Rs. 1.931 million (2024: Rs. 1.973 million). This analysis assumes that all other variables in particular interest rate remain constant. Weakening of Pakistani Rupee by the same percentage would have a vice versa impact.

19.3.2 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:

	Note	2025 Rupees	2024 Rupees
Variable-rate instrument			
Financial assets (bank balances)	5.1	147,984,160	23,724,839
Total		147,984,160	23,724,839

Cash flow 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. 1,479,842 (2024: Rs. 237,248). 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.

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

		June 30 2025		
On balance sheet financial instruments		**Exposed to interest rate risk no later than one month**	**Not exposed to interest rate risk**	**Total**
	Note	**(Rupees)**		
Financial assets				
Investments - Exchange Trade Units		-	495,381,876	495,381,876
Bank balances (including profit due)	5.1	147,984,160	39,152,437	187,136,596
Total financial assets		147,984,160	534,534,313	682,518,472
Financial liabilities				
Payable to the Management Company		-	7,647,711	7,647,711
Remuneration payable to the Trustee		-	207,721	207,721
Accrued expenses and other liabilities		-	29,872,366	29,872,366
Total financial liabilities		-	37,727,798	37,727,798
On balance sheet gap		147,984,160	496,806,515	644,790,674

		June 30 2024		
On balance sheet financial instruments		**Exposed to interest rate risk no later than one month**	**Not exposed to interest rate risk**	**Total**
	Note	**(Rupees)**		
Financial assets				
Investments - Exchange Trade Units		-	455,992,471	455,992,471
Bank balances (including profit due)	5.1	23,724,839	39,758,129	63,482,968
Total financial assets		23,724,839	495,750,600	519,475,439
Financial liabilities				
Payable to the Management Company		-	7,675,649	7,675,649
Remuneration payable to the Trustee		-	208,738	208,738
Accrued expenses and other liabilities		-	5,760,595	5,760,595
Total financial liabilities		-	13,644,982	13,644,983
On balance sheet gap		23,724,839	482,105,618	505,830,456

19.3.3 Other price risk

Price risk comprise of equity price risk which is the risk of unfavorable changes in the fair value of Exchange Traded Funds as the result of changes in the levels of respective indices and the value of individual securities. This arises from the investment held by the Fund for which prices in the future are uncertain.

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.

Details of the Fund's investment in industrial / economic sector are given in note 6.3.

Sensitivity analysis - Equity Price risk

In respect of the investments classified as at fair value through profit or loss the impact on income statement and unit holders' fund, due to a 5% increase or decrease in the fair values of the investments, investments in exchange traded fund would have been decrease by Rs. 24.7 million (2024: 22.8 million).

19.3.4 Operational risks

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 behavior. 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.

19.4 Unit holder's fund risk management

The Fund's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to continue as a going concern so that it can continue to provide returns to its unit holders. Management monitors the return on capital as well as the level of dividends to unit holders and makes adjustments to it in the light of changes in markets' conditions.

Under the NBFC regulations 2008, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund size depends on the issuance and redemption of units.

19.5 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to 'undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market 'prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing 'service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).

- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).

- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (level 3)

19.6 The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

		2025					
		Carrying amount			Fair value		
On-balance sheet financial instruments		**At fair value through profit or loss**	**Amortized cost**	**Total**	**Level 1**	**Level 2**	**Total**
	Note	(Rupees)					
Financial assets measured at fair value							
Government Securities - Market Treasury Bills	6.1	320,961,847	-	320,961,847	-	320,961,847	320,961,847
Government Securities - Pakistan Investment Bonds		536,119,500	-	536,119,500	-	536,119,500	536,119,500
Exchange Traded Funds (foreign investments)	6.2	495,381,876	-	495,381,876	495,381,876	-	-
		1,352,463,223	-	1,352,463,223	495,381,876	857,081,347	857,081,347
Financial assets not measured at fair value							
Bank balances	5	-	186,631,796	186,631,796	-	-	-
Accrued mark-up and other receivable	7	-	11,763,323	11,763,323	-	-	-
		-	198,395,119	198,395,119	-	-	-
Financial liabilities not measured at fair value							
Payable to the Management Company	8	-	7,647,711	7,647,711	-	-	-
Payable to the Trustee	9	-	207,721	207,721	-	-	-
Payable to the Securities and Exchange Commission		-	-	-			
of Pakistan	10	-	119,025	119,025			
Accrued expenses and other liabilities	11	-	29,872,366	29,872,366	-	-	-
		-	37,846,823	37,846,823	-	-	-

On-balance sheet financial instruments	Note	2024 Carrying amount At fair value through profit or loss	Amortized cost	Total	Fair value Level 1	Level 2	Total
		------------------------	----------	(Rupees)	----------	----------	------------------------
Financial assets measured at fair value							
Government Securities - Market Treasury Bills	6.1	505,127,625	-	505,127,625	-	505,127,625	505,127,625.00
Government Securities - Pakistan Investment Bonds		525,450,500	-	525,450,500	-	525,450,500.00	525,450,500
Exchange Traded Funds (foreign investments)	6.2	455,992,471	-	455,992,471	455,992,471	-	-
		1,486,570,596	-	1,486,570,596	455,992,471	1,030,578,125	1,030,578,125
Financial assets not measured at fair value							
Bank balances	5	-	63,198,259	63,198,259	-	-	-
Accrued mark-up and other receivable	7	-	284,709	284,709	-	-	-
		-	63,482,968	63,482,968	-	-	-
Financial liabilities not measured at fair value							
Payable to the Management Company	8	-	2,852,352	2,852,352	-	-	-
Payable to the Trustee	9	-	208,738	208,738	-	-	-
Accrued expenses and other liabilities	11	-	5,760,595	5,760,595	-	-	-
		-	8,821,685	8,821,685	-	-	-

* excluding income tax recoverable and prepaid annual listing fee.

** excluding provision for workers' welfare fund, federal excise duty on Management Company's remuneration, Sindh sales tax payable on Management Company remuneration, Sindh sales tax payable on Trustee remuneration and withholding tax payable.

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

20 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

	Payable against dividend	Receivable against issuance of units	Payable against redemption of units	Total
	---------- Rupees ----------			
Opening balance as at 1 July 2024	-	-	-	-
Receivable against issuance of units	-	(131,940,913)	-	(131,940,913)
Payable against redemption of units	-	-	166,780,941	166,780,941
Dividend payable	156,751,953	-	-	156,751,953
	156,751,953	(131,940,913)	166,780,941	191,591,981
Amount received on issuance of units	-	131,940,913	-	131,940,913
Amount paid on redemption of units	-	-	(166,780,941)	(166,780,941)
Dividend paid	(156,751,953)	-	-	(156,751,953)
	(156,751,953)	131,940,913	(166,780,941)	(191,591,981)
Closing balance as at 30 June 2025	-	-	-	-

21 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 are as follows:

21.1 Unit holding pattern of the Fund

	2025		
Category	Number of Investors	Investment amount (Rupees)	% of total net assets
Individuals	39	6,480,823	0.43%
Associated Companies and Directors	17	561,584,188	37.12%
Retirement Funds	3	3,337,829	0.22%
NBFC's (Management Company)	1	40,759,423	2.69%
Director	2	900,562,717	59.53%
	62	1,512,724,980	100.00%

	2024		
Category	Number of Investors	Investment amount (Rupees)	% of total net assets
Individuals	31	5,912,320	0.38
Associated Companies and Directors	21	609,721,798	39.61
Retirement Funds	3	55,215,676.26	3.59
NBFC's (Management Company)	1	37,529,691	2.44
Director	4	830,777,861	53.98
	60	1,539,157,345	100.00

	2025	2024
	Commission paid (Percentage)	

21.2 List of top brokers by percentage of commission paid

Broker Name	2025	2024
Habib Bank AG Zurich	0.00%	98.67%
C&M Private Limited	9.20%	0.67%
Magenta Capital	0.00%	0.42%
KTrade Securities	11.78%	0.15%
Bright Capital Private Limited	0.00%	0.06%
Optimus Markets (Pvt.) Limited	38.18%	0.02%
AKD Securities Limited	9.46%	0.00%
Capital Edge Securities (Pvt.) Limited	31.38%	0.00%

21.3 Particulars of 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. Talha Siddiqui
- Mr. Ahsan Ali

Mr. Babar Ali Lakhani - Chief Executive Officer

Mr. Lakhani has over twenty three 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 fifteen 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 fifteen 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.

Mr. Hassan Bin Nasir - Fund Manager

Mr. Hassan Bin Nasir has over thirteen 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:

Mr. Talha Siddiqui

Mr. Talha A. Siddiqui is a seasoned investment professional with over 10 years of rich experience in the Pakistani Capital Markets. He currently holds a position of Vice President – Head of Equities at Lakson Investments. He has completed his master's degree in economics from the University of Manchester with focus on Behavioural Economics. At Lakson Investments, he is responsible for devising investment strategies for Equity Portfolios. This would primarily involve maintaining adequate exposures, managing liquidity requirements and actively pursuing alpha generating strategies for the portfolios

Mr. Ahsan Ali

Mr. Ali has over nine years of experience and presently holds the position of Vice President – Head of Research at Lakson Investments. He completed his MBA and BBA from the Institute of Business Management and is a CFA Charter holder. At Lakson Investments, he is responsible for overseeing the research function ensuring that all investment research is meticulously conducted to support informed decision making, strategic planning and overall investment strategy at Lakson Investments.

- Lakson Income Fund
- Lakson Money Market Fund
- Lakson Islamic Money Market Fund

21.4 Directors meeting attendance

Name of directors	Designation	Meeting Attended	04 Sep 24	20 Oct 24	27 Feb 25	30 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

21.5 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.

22 CORRESPONDING FIGURES

Corresponding figures have been arranged and reclassified, wherever necessary for the purpose of comparison and for better presentation.

23 GENERAL

Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

24 DATE OF AUTHORISATION FOR ISSUE

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

For Lakson Investments Limited
(Management Company)

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

LAKSON INVESTMENTS
WE MANAGE YOUR MONEY, AS WE MANAGE OUR OWN

LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND

Performance Table	FY25	FY24	FY23	FY22	FY21
Net Assets - Beginning (PKR Mil.)	1,539	1,416	1,015	1,012	1,944
Net Assets - Ending (PKR Mil.)	1,513	1,539	1,416	1,015	1,012
Net Asset value per share	185.9908	185.8415	185.5763	151.8853	153.7987
Selling Price for units	191.3474	191.1009	190.8282	155.6825	157.6437
Repurchase Price for units	185.9908	185.8415	185.5763	151.8853	153.7987
Highest Offer Price (PKR)	212.7464266	212.7464	193.4737	177.4092	162.7326
Lowest Offer Price (PKR)	188.6191	188.6191	155.8164	155.6825	108.426
Highest Redemption Price (PKR)	206.8914	206.8914	188.149	173.0821	158.7635
Lowest Redemption Price (PKR)	183.4281	183.4281	152.016	151.8853	106.8236
Beginning NAV - Ex-Div. (PKR)	185.8415	185.5763	151.8853	153.7987	149.9987
Interim Distributions (PKR)	21.1082	21.2914	-	18.7605	5.2623
Final Distribution (PKR)	-	-	-	-	-
Ending NAV - Ex-Div. (PKR)	185.9908	185.8415	185.5763	135.0382	153.7987
Return	11.45%	11.56%	22.18%	10.80%	6.05%
Net Income (PKR Mil.)	165	164	238	109	67
Total Distribution (PKR Mil.)	157	136	-	68	32
Accumulated Capital Growth	426	418	390	152	111
Average Annual return of the Fund					
One Year	11.45%	11.56%	22.18%	10.80%	6.05%
Two year	52.01%	16.87%	16.49%	17.50%	8.08%
Three year	78.61%	51.13%	43.57%	19.76%	27.73%
Since inception (October 10,2011)	276.51%	237.86%	219.84%	161.77%	136.25%

Distributions	FY25	FY24	FY23	FY22	FY21
Interim Distribution	21.1082	21.2914	-	18.7605	5.2623
Final Distribution	0	0	-	-	-
NAV before Distribution	206.9498	206.8914	-	172.5592	158.7388
NAV after Distribution	185.8416	185.6000	-	153.7987	153.5054
Distribution Date	26-Jun-25	25-Jun-24	-	27-Jun-22	27-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.

A Lakson Group Company

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