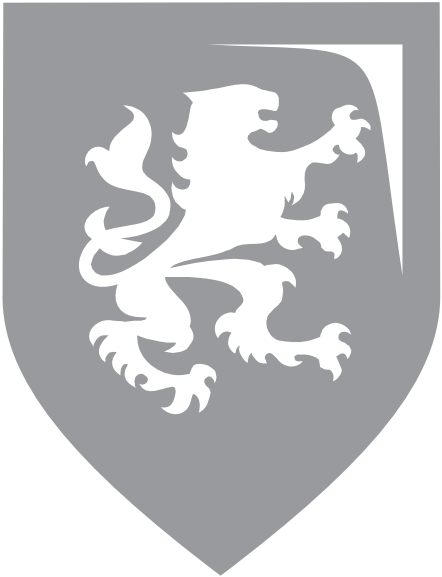


LAKSON EQUITY FUND

Half Yearly Report (December 31, 2015)



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Fund's Information

Management Company

Lakson Investments Limited
Head Office
Lakson Square, Building No.2,
Sarwar Shaheed Road,
Karachi-74200, Pakistan.
Phone: (9221) 3569.8000
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. A. Aziz H. Ebrahim
Mr. Mahomed J. Jaffer
Mr. Amin Mohammed Lakhani
Mr. Sher Afgan Malik
Mr. Daniel Scott Smaller
Mr. Zahid Zakiuddin

Chief Financial Officer & Company Secretary of the Management Company

Ms. Sana Quadri

Audit Committee

Mr. Zahid Zakiuddin - Chairman
Mr. A. Aziz H. Ebrahim
Mr. Iqbal Ali Lakhani
Mr. Sher Afgan Malik

Human Resource and Remuneration Committee

Mr. Iqbal Ali Lakhani - Chairman
Mr. Babar Ali Lakhani
Mr. Daniel Scott Smaller

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

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No.2,
Beaumont Road,
Karachi - 75530, Pakistan

Bankers to the Fund

Allied Bank Limited
Askari Bank Limited
Bank Al-Falah Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
United Bank Limited

Legal Adviser

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

Registrar

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

Distributors

Metro Securities Pvt. Limited
Ismail Iqbal Securities
BMA Financial
Amir Noorani
Topline Securities (Pvt.) Limited
Adam Securities
Elixir Securities (Pvt.) Limited
Vector Capital (Pvt.) Limited
Pearl Securities Pvt. Limited
Rabia Fida

Rating by PACRA

1 Year : 3-Star (Average)
3 Year : 3-Star (Average)
5 Year : 2-Star (Below average)
AM2- : Asset Manager Rating by PACRA

Review Report of the Directors of the Management Company For the half year ended December 31, 2015

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Equity Fund ("LEF") is pleased to submit its review report together with Condensed Interim Financial Statements for the half year ended December 31, 2015.

Fund Objective

The objective of the Fund is to provide long term capital appreciation by investing mainly in equity and related listed securities. Investments will be made in companies of substance, financial strength and demonstrably superior management skills with some exposure given to smaller capitalized value stocks.

Fund Profile

LEF is an actively managed open end equity fund. LEF maintain an average exposure of 70% of Net Assets in listed equity securities. The asset allocation to different sectors and stocks is made on the basis of relative attractiveness of each sector and individual stocks in that particular sector. The allocations may change from time to time keeping in view the market conditions, opportunities, political and economic factors. LEF is allowed to borrow up to 15% of Net Assets to meet redemptions however LEF did not utilize this facility during the period under review.

Fund performance

The LEF provided a return of -1.41% for 1HFY16 against the benchmark (KSE 30 Index) performance of -10.62%. The fund outperformed the benchmark by 921bps. The LEF provided a return of 4.38% (BM: -0.04%) during 2QFY16 and -1.41% (BM: -10.62%) for 1HFY16. KSE-100 generated a return of 1.64% and -4.6% for 2QFY16 and 1HFY16, respectively. The Funds performance outpaced the indices by a decisive margin. As of December 31, 2015, the fund had 88% exposure to equities and 11% in cash. Sector allocation was focused in Construction & Materials (25.2%), Chemicals (15.2%), Commercial Banks (13.0%), Oil & Gas (13.0%) and Electricity (6.7%).

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

Pakistan's macro environment continued to remain favorable in the second half of 2015 with considerable positive developments on both the domestic and external front. This was reflected in the initiation of sovereign ratings by the international rating agency - Fitch Ratings, which assigned to Pakistan a rating of 'B stable' (a notch higher than comparable ratings by Moody's at B3 and S&P at B-). The manufacturing sector also showed improvement with large scale manufacturing (LSM) growing by 4.2% YoY in October 2015 compared to 1.9% YoY in October 2014.

In the September monetary policy statement (MPS) the State Bank of Pakistan (SBP) decreased the discount and target rates by 50 bps each to 6.5% and 6.0% respectively, the lowest levels on record, bringing the total reduction in interest rates to 350 bps over the last year. This decision was made on the back of low inflation and a comfortable external account position on account of weak commodity prices. The cut was the last in a series of cuts in the year 2015 as the SBP decided to maintain its policy rate during the quarter October to December as inflation is expected to now move on an upward trend. The rupee dollar parity saw appreciation in the last quarter of the year, with the parity averaging PKR 104.9.

CPI-based inflation reached its multi-year low to average 2.1% YoY in 2H2015 vs. 6.1% in the corresponding period last year creating expectations of another rate cut going forward. Inflation was recorded at 3.2% YoY in December '15 as opposed to 4.3% in December 2014. The increase was largely attributed to the low base effect as inflation had fallen in Q4CY14 due to a 25% decline in oil prices. December's inflation was below the market consensus of 3.8% as food items, which contribute almost 35% to the index, declined on the back of seasonality and ample supply. Headline inflation averaged 2.1% in 1H2015 as against 6.1% in the same period the previous year.

As the Chinese authorities devalued the Yuan in August 2015 in an attempt to kick start faltering economic growth, regional currencies also faced downward pressure as they sought to maintain competitiveness in the global export market. Pakistan's forex market also succumbed to this pressure and the Pakistani Rupee came under panic selling to depreciate by 2.5% in a single day - the largest daily decline in over a year. This massive depreciation, however, did not prompt intervention from the SBP, as the government sought to pacify exporters who have long complained of an overvalued PKR.

The country's exports declined by 11.0% YoY from USD 12.2 billion to USD 10.8 billion during H1FY16. Consistently lower oil prices contributed in curtailing imports which dropped 10.0% YoY to USD 19.9 billion in the same period. Despite the lackluster performance of the export sector, the trade deficit narrowed from USD 9.9 billion in H1FY15 to USD 9.1 billion in H1FY16. With worker remittances growing 6.3% YoY to USD 9.7 billion, the current account deficit for H1FY16 was just USD 1.3 billion, a staggering decline of 48.6% over H1FY15.

On the external front, the country's foreign exchange reserves reached a record high of USD 21 billion after receiving a USD 1 billion tranche from the IMF, a USD 375 million CSF payments and developmental loans worth USD 1.4 billion from the World Bank and the Asian Development Bank. Moreover, the government successfully issued a 10-year Eurobond worth USD 500 million with a coupon rate of 8.25%. Foreign exchange reserves now provide an import cover for the country for almost 6 months. On the fiscal front, the government has made a net collection of approximately PKR 785 billion in the period October to December 2015 against a target of PKR 750 billion. In the previous quarter, July - September 2015, the net collection was recorded at PKR 600 billion against a target of PKR 640 billion. This takes the net collection for H1FY16 to PKR 1.385 trillion, a jump of 19% from the same period of the previous year.

Outlook

Going forward, contained inflation, a low discount rate and growth in development spending particularly related to the China Pakistan economic Corridor (CPEC) are likely to boost investment and consumption. However, the government needs to take initiatives to boost dwindling exports especially in the textile sector and also improve the tax machinery by expanding the tax net.

Equity Market Review

In the second half of the year 2015, the market continued to suffer blows from falling oil prices and sell-offs in global markets. The KSE 30 index shed 9.1% in September making it the worst month since March 2015, when the index declined by 12%. Speculation that China's economy may slowdown and subsequent devaluation of Yuan by the People's Banks of China to boost exports, triggered massive sell-offs in global markets. The selling pressure continued due to concerns over sustained weakness in commodities and uncertainty over the US Federal Reserve's FOMC meeting.

Persistent foreign outflows during the period strained the market where foreign investors remained net sellers of USD 240.6 million. Major net buyers include Companies (+USD 64.7 mn), NBFC (+USD 63.4 mn), Individuals (+52.1 mn) and mutual funds (+USD 42.9 mn). Average daily volumes and average daily traded value remained high in the first half of 2015 but declined substantially in the second half. Average daily volumes were recorded at 82 million shares per day in 1H2015 but went down to 69 million shares per day in 2H2015, a decline of 15%. Similarly, average daily traded value went down from PKR 8.1 billion per day in 1H2015 to PKR 5.9 billion per day in 2H2015, a staggering decline of 28%. Thus average daily volumes for the year were recorded at 75.6 million shares per day, a jump of 6.6% from 70.9 million shares in 2014. Turnover went up almost 23%, from PKR 5.7 billion per day in 2014 to PKR 7.0 billion per day in 2015.

Sector-wise, Pharmaceuticals was the best performing major sector with a gain of almost 85% as clarity was achieved on the much-awaited drug pricing policy and the market expected earnings to rise. Automobile rose 9.26% supported by the declining yen parity and huge rise in volumetric sales. Power Generation rose almost 8% led by HUBC as investors moved toward the safe stock to mitigate volatility. Cements rose only 2.50% in the 6 months despite the positive triggers of CPEC and decline in oil and coal prices.

Oil & Gas was the worst hit with a return of -18.37% on account of falling global oil prices. Following suit was textile (-13.21%) as exports continued to fall. Chemicals declined 9.11% on concerns over sustained supply of gas to the sector. FFC with a return of -18.1% was the worst hit in the sector. Banks saw a decline of 6% as the market reacted to cuts in the discount rate by the State Bank of Pakistan and a subsequent negative impact on banking spreads.

Outlook

Going forward, regulatory action against brokers on the local front as well as selling due to panic in international markets is likely to weigh on Pakistan's equity market. However, the Pakistan Stock Exchange is still a valuable investment opportunity compared to other markets. The trailing-twelve-month (TTM) PE ratio of KSE 30 has risen to 9.34x but is still at a substantial discount to regional indices. India's Sensex Index has a TTM PE ratio of 19.84x whereas China's Shanghai Composite Index has a TTM PE ratio of 18.64x.

Acknowledgment

The Board is thankful to its valued investors, the Securities and 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 (previously, Lahore 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

Dated: February 06, 2016

Babar Ali Lakhani
Chief Executive Officer

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shakra-e-Faisal
Karachi - 74400, Pakistan,
Tel: (92-21) 111-111-500
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URL: www.cdcpk.com
Email: info@cdcpak.com



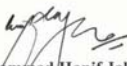
TRUSTEE REPORT TO THE UNIT HOLDERS

LAKSON EQUITY FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of Lakson Equity 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 for the period ended December 31, 2015 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; and
- (iii) 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.


Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited
Karachi: February 18, 2016



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2
Beaumont Road
Karachi, 75530 Pakistan

Telephone + 92 (21) 3568 5847
Fax + 92 (21) 3568 5095
Internet www.kpmg.com.pk

Report on review of Condensed Interim Financial Information to the Unitholders'

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Lakson Equity Fund** ("the Fund") as at 31 December 2015 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the condensed interim financial information for the six months period then ended (here-in-after referred to as the "condensed interim financial information"). Management Company is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

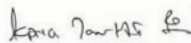
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting.

Other matters

The figures for the three months ended 31 December 2015 in the condensed interim financial information have not been reviewed and we do not express a conclusion on them.

Date: 6 February 2016

Karachi



KPMG Taseer Hadi & Co.
Chartered Accountants
Aryn Pirani

**Condensed Interim Statement of Assets and Liabilities
As at December 31, 2015**

	Note	December 31, 2015 (Unaudited) (Rupees)	June 30, 2015 (Audited)
Assets			
Bank balances	6	354,573,487	183,326,672
Investments	7	2,592,082,359	3,114,774,372
Dividend and profit receivable	8	5,839,723	3,903,703
Advances, deposits and prepayments		<u>2,799,727</u>	<u>2,650,000</u>
Total assets		<u>2,955,295,296</u>	<u>3,304,654,747</u>
Liabilities			
Remuneration payable to the Management Company	9	21,531,313	16,362,249
Remuneration payable to the Trustee		371,515	339,251
Annual fee payable to Securities and Exchange Commission of Pakistan		1,453,716	1,877,050
Accrued expenses and other liabilities	10	21,708,905	25,533,304
Payable against purchase of marketable securities		33,231,689	82,968,637
Total liabilities		<u>78,297,138</u>	<u>127,080,491</u>
Contingencies and commitments	11		
Net assets		<u>2,876,998,158</u>	<u>3,177,574,256</u>
Unit holders' fund		<u>2,876,998,158</u>	<u>3,177,574,256</u>
		(Number of Units)	
Number of units in issue (face value: Rs. 100 per unit)		<u>27,972,921</u>	<u>30,459,607</u>
		(Rupees)	
Net assets value per unit		<u>102.8493</u>	<u>104.3209</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

Chief Executive Officer

Director

Condensed Interim Income Statement (Unaudited)
For the half year ended December 31, 2015

		Half year ended December 31,		Quarter ended December 31,	
		2015	2014	2015	2014
Income	Note	----- (Rupees) -----			
Gain on sale of held for trading investments - net		59,819,516	157,166,171	33,137,877	163,977,218
Unrealized (loss) / gain on revaluation of held for trading investments - net	7.1	(130,762,176)	85,203,258	69,497,514	32,833,257
		(70,942,660)	242,369,429	102,635,391	196,810,475
Dividend income on held for trading investment		68,409,247	15,181,456	41,611,526	10,171,756
Return / Mark up on:					
- bank balances		12,732,543	2,557,332	6,821,793	1,297,175
- Government securities (held for trading)		-	9,223,859	-	5,248,861
		12,732,543	11,781,191	6,821,793	6,546,036
Element of (loss) / income and capital (losses) / gains in prices of units sold less those in units redeemed - net		(12,164,796)	58,212,544	(4,376,171)	44,272,586
		(1,965,666)	327,544,620	146,692,539	257,800,853
Expenses					
Remuneration to the Management Company		30,604,560	15,316,220	14,631,905	7,857,268
Sindh Sales tax on remuneration of the Management Company		4,970,181	2,665,022	2,376,222	1,367,164
Federal Excise duty on remuneration of the Management Company	9.3	4,896,730	2,450,595	2,341,105	1,257,163
Remuneration to the Trustee		2,317,575	1,065,798	1,120,576	573,216
Annual fee to the Securities and Exchange Commission of Pakistan		1,453,717	541,303	695,016	305,103
Auditors' remuneration		194,213	170,043	81,134	81,013
Fees and subscription		172,669	78,390	95,157	39,196
Printing charges		15,056	21,781	10,029	16,740
Brokerage expenses		4,786,829	4,932,482	1,609,305	3,662,521
Settlement charges		514,870	438,885	207,577	298,601
Bank and other charges		15,469	12,658	7,961	4,831
Provision for workers' welfare fund		-	5,995,017	-	4,846,110
Amortisation of deferred formation cost		-	100,601	-	32,546
		49,941,869	33,788,795	23,175,987	20,341,472
Net (loss) / income for the period before taxation		(51,907,535)	293,755,825	123,516,552	237,459,381
Taxation	12	-	-	-	-
Net (loss) / income for the period after taxation		(51,907,535)	293,755,825	123,516,552	237,459,381

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For Lakson Investments Limited
(Management Company)

Chief Executive Officer

Director

**Condensed Interim Statement of Comprehensive Income (Unaudited)
 For the half year ended December 31, 2015**

	Half year ended December 31, 2015	2014	Quarter ended December 31, 2015	2014
	------(Rupees)-----			
Net (loss) / income for the period	(51,907,535)	293,755,825	123,516,552	237,459,381
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(51,907,535)</u>	<u>293,755,825</u>	<u>123,516,552</u>	<u>237,459,381</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

 Chief Executive Officer

 Director

Condensed Interim Distribution Statement (Unaudited) For the half year ended December 31, 2015

	Half year ended December 31, 2015		Quarter ended December 31, 2014	
	------(Rupees)-----			
Realized income at beginning of the period	164,194,643	27,308,168	156,449,151	53,472,302
Unrealized (loss) / income at beginning of the period	(32,581,095)	22,237,691	(200,259,690)	52,370,001
Undistributed income at beginning of the period	131,613,548	49,545,859	(43,810,539)	105,842,303
Net (loss) / income for the period after taxation	(51,907,535)	293,755,825	123,516,552	237,459,381
Undistributed income at end of the period	<u>79,706,013</u>	<u>343,301,684</u>	<u>79,706,013</u>	<u>343,301,684</u>
Represented by :				
Realized income at end of the period	210,468,189	258,098,426	210,468,189	258,098,426
Unrealized (loss) / income at the end of the period	(130,762,176)	85,203,258	(130,762,176)	85,203,258
Undistributed income at end of the period	<u>79,706,013</u>	<u>343,301,684</u>	<u>79,706,013</u>	<u>343,301,684</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

Chief Executive Officer

Director

**Condensed Interim Statement of Movement in Unit Holders' Fund (Unaudited)
For the half year ended December 31, 2015**

	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014
	------(Rupees)-----			
Net assets at beginning of the period	3,177,574,256	959,731,113	2,947,445,365	1,152,355,193
Amount received on issuance of 638,439 (2014: 3,567,488) units and 269,162 (2014: 1,968,251) units for the six and three months period respectively	66,338,813	416,365,306	27,984,998	241,097,712
Amount paid on redemption of 3,125,125 (2014: 235,961) units and 2,208,800 (2014: Nil) units for the six and three months period respectively	(327,172,172)	(25,000,000)	(226,324,928)	-
	(260,833,359)	391,365,306	(198,339,930)	241,097,712
Element of loss / (income) and capital losses / (gains) in prices of units sold less those in units redeemed - net	12,164,796	(58,212,544)	4,376,171	(44,272,586)
Total comprehensive (loss) / income for the period - net (loss) / income for the period after taxation	(51,907,535)	293,755,825	123,516,552	237,459,381
Net assets as at end of the period	<u>2,876,998,158</u>	<u>1,586,639,700</u>	<u>2,876,998,158</u>	<u>1,586,639,700</u>
Net assets value per unit at beginning of the period	<u>104.3209</u>	105.4434	<u>98.5353</u>	<u>110.1138</u>
Net assets value per unit at end of the period	<u>102.8493</u>	127.6112	<u>102.8493</u>	<u>127.6112</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

Chief Executive Officer

Director

Condensed Interim Cash Flow Statement (Unaudited)
For the half year ended December 31, 2015

	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014
	------(Rupees)-----			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net (loss) / income for the period	(51,907,535)	293,755,825	123,516,552	237,459,381
Adjustments for:				
Gain on sale of held for trading investments - net	(59,819,516)	(157,166,171)	(33,137,877)	(163,977,218)
Amortisation of deferred formation cost	-	100,601	-	32,546
Unrealised loss / (gain) on revaluation of held for trading investments - net	130,762,176	(85,203,258)	(69,497,514)	(32,833,257)
Element of loss / (income) and capital losses / (gains) in prices of units sold less those in units redeemed - net	12,164,796	(58,212,544)	4,376,171	(44,272,586)
	31,199,921	(6,725,547)	25,257,332	(3,591,134)
Decrease / (increase) in assets				
Investments	451,749,353	(540,663,891)	(14,804,353)	(350,572,602)
Dividend and profit receivable	(1,936,020)	1,633,465	22,435,221	4,148,044
Receivable against sale of marketable securities	-	-	14,965,066	-
Advances, deposits and prepayments	(149,727)	5,104,665	(23,957)	5,884,583
	449,663,606	(533,925,761)	22,571,977	(340,539,975)
Increase / (decrease) in liabilities				
Remuneration payable to the Management Company	5,169,064	3,001,847	2,527,683	1,227,615
Remuneration payable to the Trustee	32,264	57,333	(3,944)	54,476
Annual fee payable to Securities and Exchange Commission of Pakistan	(423,334)	126,708	695,015	305,103
Payable against purchase of marketable securities	(49,736,948)	217,666,271	33,231,689	255,553,653
Accrued expenses and other liabilities	(3,824,399)	7,244,109	289,789	6,716,866
	(48,783,353)	228,096,268	36,740,232	263,857,713
Net cash generated / (used in) from operating activities	432,080,174	(312,555,040)	84,569,541	(80,273,396)
CASH FLOWS FROM FINANCING ACTIVITIES				
Received on issuance of units	66,338,813	416,365,306	27,984,998	241,097,712
Paid against redemption of units	(327,172,172)	(25,000,000)	(226,324,928)	-
Net cash (used in) / generated from financing activities	(260,833,359)	391,365,306	(198,339,930)	241,097,712
Net increase / (decrease) in cash and cash equivalents during the period	171,246,815	78,810,266	(113,770,389)	160,824,316
Cash and cash equivalents at beginning of the period	183,326,672	130,138,359	468,343,876	48,124,309
Cash and cash equivalents at end of the period	354,573,487	208,948,625	354,573,487	208,948,625

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

Chief Executive Officer

Director

**Notes to and forming part of the Condensed Interim
Financial Statements (Unaudited)
For the half year ended December 31, 2015**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The Lakson Equity Fund (the "Fund") was established under the Trust Deed executed on 2 September 2009 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 18 September 2009 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.
- 1.3 The Fund is an open end mutual fund and is listed on the Pakistan Stock Exchange Limited (previously in Lahore 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.

The Fund is categorised as "Equity Scheme" as per the Circular 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP) and it primarily invests in listed equity securities and other avenues of investment, which include cash or near cash instruments, cash in bank accounts (excluding TDR) and treasury bills not exceeding 90 days maturity and any other investment authorised by SECP.

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 The Pakistan Credit Rating Company Limited (PACRA) has assigned asset management quality rating of 'AM2-' to the management Company of the Fund dated April 22, 2015.

On August 13, 2015, PACRA assigned following rankings to the Fund based on the performance review for the period ended June 30, 2015 (trailing 12 months for 1 Year ranking, trailing 36 months for 3 Year ranking, and trailing 60 months for 5 Year ranking.)

1 Year : 3-Star (Average)
3 Year : 3-Star (Average)
5 Year : 2-Star (Below Average)

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of directives issued under the Companies Ordinance, 1984, Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case the requirements differ, the requirements of the Rules, the Regulations and the directives issued by the SECP shall prevail.

- 2.2 These condensed interim financial information does not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended June 30, 2015. However, selected explanatory notes are included to explain events and transactions that are significant.

2.3 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (g) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations) and are unaudited. However, a limited scope review has been carried out by the auditors in accordance with the requirements of clause (xix) of the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan.

2.4 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest of rupees.

3. SIGNIFICANT JUDGEMENTS AND ESTIMATES

The preparation of condensed interim financial information requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by the Management in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended June 30, 2015.

4. SIGNIFICANT ACCOUNTING POLICIES

Except for note 3.1, the accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparing the financial statements as at and for the year ended June 30, 2015. IFRS 13 'Fair Value Measurement' became effective for financial periods beginning on or after 1 January 2015. The effect of IFRS 13 'Fair Value Measurement' are disclosed in notes 4.1 and 14 to these condensed interim financial information.

4.1 IFRS 13 Fair Value Measurement, consolidates the guidance on how to measure fair value, which was spread across various IFRS, into one comprehensive standard. It introduces the use of an exit price, as well as extensive disclosure requirements, particularly the inclusion of non-financial instruments into the fair value hierarchy. The application of IFRS 13 does not have an impact on the financial statements of the Fund's, except certain additional disclosures.

5. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2015.

		December 31, 2015 (Unaudited)	June 30, 2015 (Audited)
	Note	(Rupees)	
6. BANK BALANCES			
-Local Currency			
In profit and loss sharing accounts	6.1	354,565,390	183,326,672
In current account		8,097	-
		<u>354,573,487</u>	<u>183,326,672</u>
6.1			
These represent profit and loss sharing accounts maintained with banks carrying mark-up rates ranging from 4.5% to 7.40% (June 30, 2015: 4.5% to 7.05%) per annum.			
7. INVESTMENTS			
At fair value through profit or loss			
- held for trading			
Listed equity securities	7.1	<u>2,592,082,359</u>	<u>3,114,774,372</u>
		<u>2,592,082,359</u>	<u>3,114,774,372</u>

7.1 Shares of listed company
At fair value through profit or loss - held for trading
Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of investee company	Balance as at December 31, 2015										
	Holding as at July 01, 2015	Purchased during the period	Bonus /right shares received during the period	Disposed during the period	Holding as at December 31, 2015	Carrying value before revaluation as at December 31, 2015	Market value as at December 31, 2015 (revised carrying value)	Unrealized Appreciation / (diminution)	Market value as a percentage of total investments	Market value as a percentage of net assets	Pw value of shares held as a percentage of the total capital of the investee company
Commercial Banks											
MCB Bank Limited	472,700	290,050	-	227,600	535,150	131,745,321	116,047,278	(15,698,043)	4.48	4.03	0.05
Allied Bank Limited	132,400	592,700	-	132,400	592,700	60,281,587	55,867,502	(4,413,885)	2.16	1.94	0.05
National Bank Limited	-	595,450	-	265,500	269,900	15,144,587	14,585,396	(559,191)	0.56	0.51	0.01
United Bank Limited	703,550	695,450	-	664,000	731,900	113,761,779	113,565,855	(6,198,424)	4.38	3.96	0.06
Habib bank limited	308,326	625,200	-	523,300	414,226	32,121,078	32,878,919	757,841	3.20	3.88	0.03
						427,294,652	385,293,339	(42,001,313)	247.8	228.8	0.03
Chemicals											
ICI Pakistan Limited	-	119,600	-	-	119,600	58,754,645	57,888,752	(866,893)	2.23	2.01	0.13
Achroma Pakistan Limited	110,800.00	-	-	38,300	72,500	33,117,275	33,408,725	291,450	2.99	3.16	0.21
						91,871,500	91,297,517	(574,083)	3.52	3.17	0.34
Fertilizers											
Eggertson Limited	754,400	183,000	-	213,000	724,400	217,185,705	203,300,116	(14,765,589)	7.81	7.03	0.14
Eggertson Fertilizer Limited	2,413,800	887,000	-	1,584,900	1,696,300	154,193,500	142,709,719	(11,483,781)	5.51	4.96	0.13
Eggertson Fertilizer Bin Qasim Limited	-	268,500	-	-	268,500	14,791,135	14,144,580	(646,555)	0.55	0.49	0.03
						386,169,350	353,244,415	(32,924,935)	13.87	12.48	0.29
Pharma & Bio Tech											
Ferenzos Laboratories Limited	83,100	-	-	55,900	27,200	22,170,889	30,107,680	7,936,791	1.16	1.05	0.09
The Seart Company Limited (7.12)	235,600	180,500	-	428,950	35,850	11,581,547	14,186,521	2,605,374	0.55	0.49	0.03
Therapeutics Laboratories Limited	-	24,350	-	14,350	10,000	-	-	-	-	-	-
Highglon Laboratories Limited	-	40,200	-	40,200	-	-	-	-	-	-	-
						33,752,436	44,294,601	10,542,165	1.71	1.54	0.12
Textile Composite											
Nihat Mills Limited	504,000	240,000	-	190,000	554,000	65,017,960	52,557,980	(12,459,980)	2.03	1.83	0.16
Nihat (Chunara) Limited	1,719,900	-	-	1,719,900	-	-	-	-	-	-	-
Kohinoor Textile Mills Limited	123,000	-	-	123,000	-	65,017,960	52,557,980	(12,459,980)	2.03	1.83	0.16
						65,017,960	52,557,980	(12,459,980)	2.03	1.83	0.16
Cement											
Fauji Cement Company Limited	2,608,400	1,82,500	-	1,857,600	2,503,300	87,797,951	92,171,506	4,373,555	3.56	3.20	0.19
Lucky Cement Company, Limited (7.11)	124,234	398,700	-	398,700	230,234	152,386,969	143,677,459	(8,709,530)	5.54	4.99	0.09
D.G Khan Cement Company Limited	670,300	340,600	-	340,600	1,034,600	147,525,268	152,696,654	5,171,386	5.31	0.32	0.03
Kohat Cement Company Limited	856,000	388,900	-	388,900	287,100	57,376,935	69,153,648	11,776,713	2.67	2.40	0.19
Pakistan Cement Company Limited	1,417,500	311,500	-	311,500	1,800,000	193,466,730	196,920,566	3,453,836	7.60	6.85	0.05
Punjab Cement Company Limited	1,417,500	2,043,100	-	1,298,900	2,164,100	74,217,932	74,580,627	362,695	26.77	25.92	2.31
Power Generation & Distribution											
K-Electric Limited (Face value Rs. 3.5/- each)	11,389,500	419,500	-	-	11,809,000	98,978,465	87,858,960	(11,119,505)	3.39	3.05	0.04
HUBL Power Company Limited	829,000	-	-	1,652,000	-	64,397,255	85,055,400	6,845,145	3.28	2.96	0.07
Lahar Power Limited	1,804,000	735,200	-	1,652,000	887,200	26,352,697	26,383,328	(30,669,959)	1.02	0.99	0.23
						29,943,607	29,929,688	(13,689,329)	7.89	6.93	0.23
Oil and Gas Exploration Companies											
Marf Petroleum Company Limited (7.12)	57,160	-	-	189,750	125,110	80,244,435	87,219,185	6,976,750	3.36	3.03	0.11
Oil and Gas Development Company Limited (7.11)	851,600	480,400	-	542,200	789,800	119,789,465	92,675,132	(27,114,333)	3.58	3.22	0.22
Pakistan Oilfield Limited (7.11)	416,100	177,400	-	418,300	175,200	66,534,021	46,957,104	(19,576,917)	1.81	1.63	0.07
Pakistan Petroleum Limited (7.11)	1,224,680	268,400	-	894,700	598,380	85,574,298	72,888,668	(12,685,630)	2.81	2.53	0.07
						263,140,219	239,740,069	(23,400,150)	11.56	10.41	0.24
Oil and Gas Marketing Companies											
Pakistan State Oil Company Limited	-	257,200	-	-	257,200	83,990,915	83,788,044	(6,202,871)	3.23	2.91	0.09
Haseco Petroleum Limited	415,000	-	-	415,000	-	-	-	-	-	-	-
Shell Pakistan Limited	108,900	-	-	108,900	-	-	-	-	-	-	-
						83,990,915	83,788,044	(6,202,871)	3.23	2.91	0.09
Transport											
Pakistan National Shipping Corporation	1,072,000	-	-	1,072,000	-	89,950,915	83,788,044	(6,202,871)	3.23	2.91	0.09

7.1. Shares of listed company

At fair value through profit or loss - held for trading

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

Name of investee company	Balance as at December 31, 2015															
	Holding as at July 01, 2015		Purchased during the period		Bonus / right shares received during the period		Disposed during the period		Holding as at December 31, 2015		Carrying value as at December 31, 2015	Market value as of December 31, 2015 (revaluing value)	Unrealised Appreciation / (diminution)	Market value as a percentage of total Investments	Market value as a percentage of net assets	Par value of the total paid up capital of the investee company
	Number of shares	Rs.	Number of shares	Rs.	Number of shares	Rs.	Number of shares	Rs.	Number of shares	Rs.						
Food & Personal Care Products																
Sheean International Limited	71,150	-	-	-	-	-	37,750	33,400	30,510,900	20,431,114	(10,079,786)	0.79	0.71	0.42		
Engro Foods Limited	4,36,000	647,600	-	-	-	-	614,600	453,000	75,270,180	67,284,830	(8,445,370)	2.60	2.34	0.86		
									1,02,42,080	87,712,924	(14,923,126)	3.39	3.09	0.48		
Automobile Assemblers																
P&K Suzuki Motor Company Limited	169,500	73,800	-	-	-	-	127,100	116,200	51,774,671	57,553,860	5,779,189	2.22	2.00	0.14		
Indus Motor Company Limited	-	28,740	-	-	-	-	-	28,740	29,067,200	29,075,683	8,483	1.12	1.01	0.04		
Honda Atlas Cars (Pakistan) Limited	2,65,300	238,700	-	-	-	-	33,000	175,600	40,459,395	41,957,864	1,498,469	1.62	1.46	0.12		
Milhat Tractors Limited	27,950	21,200	-	-	-	-	9,700	39,450	26,945,545	21,806,777	(5,138,768)	0.84	0.76	0.09		
Al Chaud Tractors Limited (face value Rs. 5/- each)	1,000	50,000	-	-	-	-	59,000	-	-	-	-	-	-	-	-	-
									148,246,811	150,394,184	2,147,373	5.80	5.23	0.39		
Engineering																
Mughal Iron & Steel Industries Limited	619,700	-	-	-	-	-	619,700	541,500	27,616,500	33,527,905	4,911,405	1.25	1.13	0.18		
Amnelli Steels Limited	-	541,500	-	-	-	-	-	1,110,600	29,758,070	27,109,746	(2,648,324)	1.05	0.94	0.26		
International Steels Limited	-	1,110,600	-	-	-	-	-	-	57,374,570	59,637,651	2,263,081	2.30	2.07	0.44		
Paper & Board																
Chent Packaging Limited Right Shares	-	-	-	-	10,372	-	10,372	23,100	5,766,488	6,698,731	932,243	0.36	0.32	0.07		
Chent Packaging Limited	-	1,65,300	-	-	-	-	-	-	5,766,488	6,698,731	932,243	0.26	0.23	0.07		
Insurance																
Adamiye Insurance Company Limited	-	507,000	-	-	-	-	-	507,000	29,181,995	28,650,570	(531,425)	1.11	1.00	0.14		
									2,772,844,535	2,692,082,389	(130,762,176)	100.00	90.08			
Total as at December 31, 2015									3,147,355,467	3,114,774,372	(32,581,095)	100.00	98.02			
Total as at June 30, 2015																

- 7.1.1 These include 50,000, 70,000, 80,000 and 330,000 shares of Lucky Cement Limited, Oil and Gas Development Company Limited, Pakistan Oilfields Limited and Pakistan Petroleum Limited respectively, having market value amounting to Rs. 24.752 million, Rs. 8.214 million, Rs. 21.442 million, Rs. 40.197 million respectively pledged with National Clearing Company of Pakistan for guaranteeing settlement of the Fund's trades.
- 7.1.2 Finance act, 2014 had introduced tax on bonus shares issued by the companies. Most of the equity funds including the Fund have challenged the applicability of withholding tax provision on bonus shares before Honourable High Court of Sindh ("the Court") on various legal grounds and have sought relief from the Court. The Court in its order dated 25 November 2014 have granted interim relief by passing the restraining order whereby the defendants, (issuers of the bonus shares) have been refrained from deducting and / or transferring 5% withholding tax on bonus shares issued by them. In the Fund's case, the Fund received 20,200 and 48,700 bonus shares from Mari Petroleum Company Limited (Mari) and The Searle Company Limited respectively, out of which tax in the shape of 1,010 shares in case of Mari and 2,435 shares in case of Searle had been withheld by CDC. Market value of 1,010 shares of Mari and 2,435 share of Searle as at 31 December 2015 amounted to Rs. 0.704 million and Rs. 0.963 million respectively and are included in the Fund's investments in these financial statements.

	December 31, 2015 (Unaudited)	June 30, 2015 (Audited)
8. DIVIDEND AND PROFIT RECEIVABLE	Note	(Rupees)
Unsecured - considered good		
- Dividend receivable	8.1	3,472,000
- Profit receivable on profit and loss sharing accounts		3,050,900
- Other		2,367,554
		852,344
		169
		459
		<u>5,839,723</u>
		<u>3,903,703</u>

- 8.1 Subsequent to the period, this amount was received by the Fund.

9. PAYABLE TO THE MANAGEMENT COMPANY

Remuneration payable to the Management Company	9.1	4,823,807	5,141,172
Sindh Sales Tax on Management remuneration	9.2	2,741,375	2,151,675
Federal Excise Duty on Management remuneration	9.3	13,959,237	9,062,508
Sale load payable to the management company		6,894	6,894
		<u>21,531,313</u>	<u>16,362,249</u>

- 9.1 The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, and is charging it at the rate of 2% of the average daily net assets of the Fund.
- 9.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 14% (till June 30, 2015: 15%) on Management Company's remuneration. Above liability includes Rs. 2,066,044 (June 2015: Rs. 1,380,502) accrued on Federal Excise Duty (FED) on the management remuneration as more fully explained in note 9.3 below. Had the provision relating to FED not been made, Net Asset Value per unit of the Fund as at December 31, 2015 would have been higher by 0.07 (June 2015: 0.05) per unit.

Above sales tax is paid to the management company for onwards payment to the Government.

- 9.3 As per the requirement of the Finance Act, 2013, the Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective from June 13, 2013. The Management Company is of the view that since remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which doesn't appear to be the spirit of the

law. A stay order against the collection have been granted by the Honourable High Court of Sindh on a petition filed by the Mutual Funds Association of Pakistan (MUFAP) on September 04, 2013.

In view of uncertainty regarding the applicability of FED on asset management services, the management, as a matter of abundant caution, has decided to maintain the provision for FED amounting to of Rs.13.959 million as at December 31, 2015 (June 2015: Rs. 9.063 million). Had the said provision of FED not been recorded in the books of account of the Fund, the net asset value per unit of the Fund would have been higher by 0.50 (June 2015: 0.29).

Above FED would be paid to the management company for onwards payment to the Government, if so payable.

10. ACCRUED EXPENSES AND OTHER LIABILITIES

		December 31, 2015 (Unaudited)	June 30, 2015 (Audited)
	Note	(Rupees)	
Payable to workers' welfare fund	10.1	19,867,065	19,867,065
Brokerage payable		1,610,824	5,277,307
Auditors' remuneration		162,268	209,475
National Clearing Company of Pakistan fee payable		36,252	86,790
CDC fee Payable		22,442	72,667
Other liabilities		10,054	20,000
		<u>21,708,905</u>	<u>25,533,304</u>

- 10.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending for adjudication.

During 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. This clarification was forwarded by Federal Board of Revenue (FBR) (being the collecting agency of WWF on behalf of the Ministry) to its members for necessary action. Based on this clarification, the FBR also withdrew notice of demand which it had earlier issued to one of the mutual funds for collection of WWF. Notices of demand have also been issued to several other mutual funds and the matter has been taken up by the respective mutual funds with the FBR for their withdrawal on the basis of the above referred clarification of the Ministry.

During the year 2011, a single bench of the Lahore High Court (LHC) in a constitutional petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. However, in the month of March 2013, a larger bench of the Sindh High Court (SHC) in various constitutional petitions declared that amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, do not suffer from any constitutional or legal infirmity and overruled a single-member LHC bench judgement issued in August 2011. However, the Honourable Peshawar High Court on 29 May 2014 on a petition filed by certain aggrieved parties (other than the mutual funds) have adjudicated that the amendments introduced in the Workers Welfare Fund Ordinance, 1971 through the Finance Acts of 1996 and 2009 lacks the essential mandate to be introduced and passed through the money bill under the Constitution of Pakistan and hence have been declared as ultra vires the Constitution.

However, as per the advice of legal counsel of MUFAP, the stay granted to CIS (as mentioned in the first paragraph) remains intact and the constitution petitions filed by the CIS to challenge the Workers Welfare Fund contribution have not been affected by the SHC judgment.

Furthermore, vide the Finance Act, 2015, the mutual funds have been excluded from the levy of WWF. Workers' Welfare Fund Ordinance, 1971, Accordingly, the management is of the view that this change is applicable from July 01, 2015. However, the matter regarding previous years would either need to be clarified by FBR or would be resolved through courts.

Had the above recognition not been made, the net assets value per unit of the Fund would be higher by Re. 0.71 / 0.71% (June 30, 2015: Re. 0.65 / 0.65%)

11. CONTINGENCIES AND COMMITMENTS

The Fund had no contingency or commitment at the period end expect as disclosed in note 7.1.2

12. 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 realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute at least 90% of the income earned during the year by the Fund to the unit holders.

13. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Lakson Investments Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the trustee, Siza Services (Private) Limited being holding company of the Management Company, associated companies of the Management Company and the holding company, key management personnel, other funds being managed by the Management Company and entities having holding 10% or more in the units of the Fund as at December 31, 2015. It also includes staff retirement funds of the above related parties / connected persons.

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

	December 31, 2015 (Unaudited)	June 30, 2015 (Audited)
	(Rupees)	
13.1 Balance as at period / year end		
Lakson Investments Limited - Management Company of the Fund		
Remuneration and other payables (including the Sindh sales tax and federal excise duty amounting to Rs. 16.700 million (June 30, 2015: Rs. 11.214 million)*)	<u>21,524,419</u>	<u>16,355,355</u>
Sales load payable	<u>6,894</u>	<u>6,894</u>
Units held as at the period / year end 1,078,108 (June 30, 2015: 976,461) units	<u>110,882,673</u>	<u>101,865,312</u>
*Sales tax and FED is paid / payable to the management company for onward payment to the Government.		
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Remuneration payable (Including Sindh sales tax amounting to Rs. 45,624 (June 30, 2015: Nil))	<u>371,515</u>	<u>339,251</u>
Security deposit	<u>100,000</u>	<u>100,000</u>
Settlement charges payable	<u>22,442</u>	<u>72,667</u>
Directors, Chief Executive, their Spouses and Minor Children		
Units held as at the period / year end 10,647,397 (June 30, 2015: 10,645,849) units	<u>1,095,077,297</u>	<u>1,110,584,515</u>
Key management personnel and Employees of the Management Company		
Units held at the period end / year end 11,432 (June 30, 2015: 15,893) units	<u>1,175,816</u>	<u>1,658,021</u>
Associated Companies / Undertaking of the Management Company		
Siza (Private) Limited		
Units held as at the period / year end 341,328 (June 30, 2015: 341,328) units	<u>35,105,342</u>	<u>35,607,640</u>
Century Insurance Company Limited		
Units held as at the period / year ended 3,482,756 (June 30, 2015: 6,347,272) units 662,153,122	<u>358,199,024</u>	
Siza Service (Private) Limited		
Units held as at the period / year end 2,886,574 (June 30, 2015: 2,886,574) units 301,130,088	<u>296,882,205</u>	
Premier Fashions (Private) Limited		
Units held as at the period / year end 558,758 (June 30, 2015: 558,758) units	<u>57,467,918</u>	<u>58,290,187</u>
Siza Commodities (Private) Limited		
Units held as at the period / year end 900,460 (June 30, 2015: 900,460) units	<u>92,611,723</u>	<u>93,936,840</u>

13.2 Transactions during the period

	Half year ended December 31,	
	2015	2014
	(Unaudited) (Rupees)	
Lakson Investments Limited - Management Company of the Fund		
Issue: 101,647 (2014: Nil) units	<u>10,000,000</u>	<u>-</u>
Directors, Chief Executive, their Spouses and Minor Children		
Issue: 1,548 (2014: 2,382,867) units	<u>160,000</u>	<u>299,771,565</u>
Key management personnel and Employees of the Management Company		
Issue: Nil (2014: 6,486) units	<u>-</u>	<u>740,591</u>
Redemption: 4,461 (2014: Nil) units	<u>456,810</u>	<u>-</u>
Associated Companies / Undertaking of the Management Company		
Century Insurance Company Limited		
Issue: Nil (2014: 1,361,818) units	<u>-</u>	<u>150,000,000</u>
Redemption: 2,864,516 (2014: Nil) units	<u>300,000,000</u>	<u>-</u>

13.3 Other transactions during the period

	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014
	(Unaudited)			
	(Rupees)			
Lakson Investments Limited - Management Company of the Fund				
Remuneration for the period	<u>30,604,560</u>	<u>15,316,220</u>	<u>14,631,905</u>	<u>7,857,268</u>
Sindh sales tax on remuneration of Management Company *	<u>4,970,181</u>	<u>2,665,022</u>	<u>2,376,222</u>	<u>1,367,164</u>
Federal Excise Duty on Remuneration of Management Company *	<u>4,896,730</u>	<u>2,450,595</u>	<u>2,341,105</u>	<u>1,257,163</u>
Loss borne by the Management Company on sale and purchase of equity securities	<u>-</u>	<u>800,324</u>	<u>-</u>	<u>800,324</u>

*Sales tax and FED is paid / payable to the management company for onward payment to the Government.

Central Depository Company of Pakistan Limited - Trustee of the Fund

Remuneration for the period	<u>2,032,961</u>	<u>1,065,798</u>	<u>982,962</u>	<u>573,216</u>
Sales tax on remuneration of the Trustee	<u>284,614</u>	<u>-</u>	<u>137,615</u>	<u>-</u>
Settlement charges	<u>225,394</u>	<u>163,326</u>	<u>82,811</u>	<u>119,313</u>

Discretionary Portfolio

Sale of equity securities 7,000 Ordinary shares (2014: 400 Shares)	<u>620,900</u>	<u>126,200</u>	<u>-</u>	<u>126,200</u>
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14. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and fair value estimates.

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.

Financial assets which are traded in an open market are revalued at the market prices prevailing at the close of trading on the reporting date. The estimated fair value of all other financial assets and liabilities is not considered to be significantly different from book values as the items either short-term in nature or periodically repriced.

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 (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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

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

As at December 31, 2015			
Level 1	Level 2	Level 3	Total
----- Rupees -----			
Assets			
Financial assets at fair value through profit and loss account			
2,592,082,359	-	-	2,592,082,359

As at June 30, 2015			
Level 1	Level 2	Level 3	Total
----- Rupees -----			
Assets			
Financial assets at fair value through profit and loss account			
3,114,774,372	-	-	3,114,774,372

15. GENERAL

This condensed interim financial information is unaudited and have been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2015 in this condensed interim financial information wherever appeared have not been reviewed by the auditors.

16. DATE OF AUTHORIZATION OF ISSUE

This condensed interim financial information was authorised for issue on February 06, 2016 by the Board of Directors of the Management Company.

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

Chief Executive Officer

Director



A Lakson Group Company

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