

Annual Report
2019



Tri-Star
Mutual Fund Limited



Vision Statement

Tri-Star Mutual Fund Limited is committed to strive for excellence in all areas of its activity.

Mission Statement

Our Mission is to provide superior results through investment in quality growth stocks based on their potential capital appreciation possibilities as well as dividend within the context of our overall objective of contributing to the nation's prosperity.



Company Information

| | | |
|---------------------|--------------------------|------------------------|
| Board of Directors: | Ms. Marium Ahmad | Non Executive Chairman |
| | Mr. Jawed Ahmed Siddiqui | Non Executive Director |
| | Mr. Tanvir Hasan | Non Executive Director |
| | Mr. M. Haroon Saeed | Non Executive Director |
| | Mr. Muhammad Zameer | Non Executive Director |
| | Mr. Habib Jamal | Independent Director |
| | Mr. Asad Ahmad | Chief Executive |

Investment Adviser: Tri-Star Investments Ltd.
A/33, Central Commercial Area,
Block 7/8, Main Shahrah-e-Faisal,
KCHSU, Karachi.-75350.

Auditors: Ghalib & Co.
Chartered Accountants

| | | |
|------------------|---------------------|----------|
| Audit Committee: | Mr. Habib Jamal | Chairman |
| | Mr. Muhammad Zameer | Member |
| | Mr. M. Haroon Saeed | Member |

Bankers: Bank AL Habib Ltd.
Habib Metropolitan Bank Ltd.

Registrar & Certificate
Transfer Office: Hameed Majeed Associates (Pvt) Ltd.
4th Floor, Karachi Chambers,
Hasrat Mohani Road, Karachi.

Registered Office: A/33, Central Commercial Area,
Block 7/8, Main Shahrah-e-Faisal,
KCHSU, Karachi.-75350.



Notice of Meeting.

Notice is hereby given that the Twenty Seventh Annual General Meeting of Tri-Star Mutual Fund Ltd., will be held on Monday, October 28, 2019 at 10.30 am at F/538, S.I.T.E., Karachi to transact the following business:

1. Recitation from the HOLY QURAN.
2. To receive and adopt the audited accounts for the period ended June 30, 2019 together with the Directors' and Auditors' report thereon.
3. To appoint Auditors of the Company and fix their remuneration.
4. To transact any other business with the permission of the Chair.

By and on behalf of the Board

Fund Secretary

Karachi: October 4, 2019

NOTES:

1. The Share Transfer books of the Company will remain closed from 21.10.2019 to 28.10.2019 (both days Inclusive).
2. A member entitled to attend Annual General Meeting is entitled to appoint a proxy and vote in his place at the meeting. Proxies in order to be effective must be received at the registered office of the Company 6th Floor, A/33, Central Commercial Area, KCHSU, Karachi duly stamped, signed and witnessed, not later than 48 hours before the meeting.
3. CDC Shareholders or their Proxies are required to bring with them their Original Computerized National Identity Card (CNIC) or Passport alongwith the Participant's I.D. number and their account number at the time of attending Annual General Meeting in order to authenticate their identity. In case of corporate entity, a certified BOD resolution/valid power of attorney with specimen signature of the nominee be produced at the time of meeting.
4. Proxy form must be submitted with the Company within the stipulated time, duly witnessed by two persons whose names, addresses and CNIC number must be mentioned on the form, along with attested copies of the CNIC or passport of the beneficial owner and the proxy.
5. In case of corporate entity, the Board of Directors' resolution/power of attorney with the specimen signature of the proxy holder shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
6. Members are requested to notify any change in their addresses immediately to our Shares Registrar M/s. Hameed Majeed Associates (Pvt) Ltd., Karachi Chamber, Hasrat Mohani Road, Karachi.



Directors' Report

The Board of Directors have pleasure in presenting the Twenty Seventh Report together with the audited Accounts of the Fund for the year ended June 30, 2019.

Financial Results:

During the period under review year Fund suffered loss of Rs. 16,370,550. The Fund adopted proactive strategy with caution.

The Financial results are summarized as follows:

| | 2019 | 2018 |
|--|---------------------|--------------|
| | Rupees | Rupees |
| Income/(Loss) from Operations | (13,736,223) | (7,810,151) |
| Less: Administrative Expense, Financial Cost and Remuneration of investment advisor | (12,538,141) | (2,361,408) |
| Profit/(Loss) for the Year | (16,274,364) | (9,932,089) |
| Other Comprehensive Income / (Loss) for the year | - | (2,621,861) |
| Total Comprehensive Income / (Loss) for the year | (16,370,550) | (12,553,949) |
| (Loss)/Earning per Share | (3.27) | (2.51) |

Payout to Shareholders:

The Board of Directors has not recommended any dividend for the year.

Market Reviews:

Statement on Corporate and Financial Reporting Frame Work:

- a. The financial statements, prepared by the management of Fund, present fairly its state of affairs, the results of its operations, cash flows and change in equity.
- b. Proper books of accounts of the Fund have been maintained.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.



- d. International Accounting Standards, as applicable in Pakistan , have been followed in preparation of financial statements and departure there from has been adequately disclosed.
- e. The statement of internal control is sound in design and has been effectively implemented and monitored.
- f. There are no significant doubts upon the Fund's ability to continue as going concern.
- g. There has been no material departure from the best practices of Corporate governance, as detailed in the listing regulations.
- h. During the year 4 meeting of the Board of Directors were held, attendance by each Directors is as follows:

| <u>Name of Director</u> | <u>No. of Meetings attended</u> |
|---------------------------|---------------------------------|
| Mr. Asad Ahmad | 4 |
| Mr. Jawed Ahmed Siddiqui | 4 |
| Mr. Habib Jamal | 4 |
| Ms. Marium Ahmad | 4 |
| Mr. Tanvir Hasan | 4 |
| Mr. Mohammad Haroon Saeed | 4 |
| Mr. Mohammad Zameer | 4 |

Statement of Compliance with Best Practices of Code of Corporate Governance:

As annexed on page 7 & 8.

Financial Highlights:

As annexed on page 18.

Pattern of Share Holding:

As annexed on page 33.

Auditors:

The present Auditors M/s. Ghalib & Co., Chartered Accountants are retiring. Under the terms of the code of Corporate Governance, M/s. Feroz Sharif Tariq & Co., Chartered Accountants have been recommended by the audit committee for appointment as auditors until the conclusion of the next annual general meeting.



Acknowledgements:

Yours directors would like to record their appreciation of the dedication and hard work of the staff and officers of the Fund and the shareholders for their confidence in the Fund.

By Order and on behalf of the Board

ASAD AHMAD
Chief Executive

Karachi: 4th October, 2019



Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2017

Year ended: June 30, 2019

The Company has applied the principles contained in the Code in the following manner.

1. The total number of directors are 7 as per the following:
 - a. Male: 6
 - b. Female: 1
2. The composition of board is as follows:

| | |
|---------------------------------|--|
| Executive Director | Mr. Asad Ahmad (CEO) |
| Independent Director | Mr. Habib Jamal |
| Other Non - Executive Directors | Mr. Jawed Ahmed Siddiqui Ms. Marium Ahmad Mr. Mohammad Haroon Saeed Mr. Mohammad Zameer Mr. Tanvir Hasan |
3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this Fund.
4. The Fund has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board / shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. During the year, no directors training program has been held.
10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:
 - a) Audit Committee

| |
|----------------------------|
| Mr. Habib Jamal (Chairman) |
| Mr. Jawed Ahmed Siddiqui |
| Mr. Mohammad Haroon Saeed |



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TRI-STAR MUTUAL FUND LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of Tri-Star Mutual Fund Limited for the year ended June 30, 2019 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Following instance of Non-compliances with the requirements of the Code were observed which are not stated in the Statement of Compliance.

- a) The Company has not formed human Resource Committee and Internal audit function as required by the code.

Based on our review, except for the above instances of non-compliance, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2018.

Sd/-
Ghalib & Co.
Chartered Accountants
Audit Engagement Partner: Mohammad Ghalib

Karachi: October 4, 2019



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRI-STAR MUTUAL FUND LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Tri Star Mutual Fund (the Fund) , which comprise the statement of assets and Liabilities as at June 30, 2019, and the income statement , Statement of Movement of Certificate holders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the Accompanying Financial Statements give a true and fair view of the state of the financial Position of the Fund as at June 30, 2018 and of its Financial Performance, its Cash Flow and transactions for the year then ended in accordance with the accounting and Reporting Standards as applicable in Pakistan.

Basis for Qualified 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 company 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 qualified opinion.

- a) No provision has been made in the accounts for the Foreign Exchange Bearer Certificates investments the recovery and realization of which are doubtful, the same has been explained in note no. 6.1.1. to the financial statements and also the said investment have not been available for Physical verification. Had the provision for doubtful investment been made in the accounts, the losses of the Company would have been increased by Rs 3,933,000 and the Investments-Held for trading would have been decreased by the same amount.
- b) The company has disclosed Investment in Associated companies First Tri star Modaraba Limited and Tri-Star Power Limited and as Financial Assets at fair value through other comprehensive income – quoted equity securities in note 6.3 to the financial Statements. In our opinion, these investments have to be shown / valued at equity method in accordance with International Accounting standard 28" Investment in associates". We are unable to quantify the effect of the same as latest audited accounts of First Tri Star Modarba Limited and Tri-Star Power Limited were not made available.
- c) Further, as disclosed in note 11.2 the financial statements. The fund has failed to comply with the minimum equity requirement as prescribed under regulation 3 of the Non- Banking Finance Companies (Establishment and Regulation) Rules 2007, as at June 30, 2019.

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 year. 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. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to the key audit matters to be communicated in our report.



Following are the Key Audit Matters:

| S. No. | <u>Key Audit Matters</u> | <u>How the matter was addressed in our audit</u> |
|--------|--|---|
| 1 | First time adoption of IFRS 9 – Financial Instruments | |
| | <p>As referred to in note 5.14 to the financial statements, the Company has adopted IFRS 9 with effect from 1 July 2018. The new standard requires the Company to make provision for financial assets (trade debts) using Expected Credit Loss (ECL) approach as against the Incurred Loss Model previously applied by the Company.</p> <p>Determination of ECL provision for trade debts requires significant judgement and assumptions including consideration of factors such as historical credit loss experience and forward-looking macro-economic information.</p> <p>We have considered the first time application of IFRS 9 requirements as a key audit matter due to significance of the change in accounting methodology and involvement of estimates and judgments in this regard.</p> | <p>Our key procedures to review the application of IFRS 9 included, amongst others, review of the methodology developed and applied by the Company to estimate the ECL in relation to trade debts. We also considered and evaluated the assumptions used in applying the ECL methodology based on historical information and qualitative factors as relevant for such estimates.</p> <p>Further, we assessed the integrity and quality of the data used for ECL computation based on the accounting records and information system of the Company as well as the related external sources as used for this purpose.</p> <p>We checked the mathematical accuracy of the ECL model by performing recalculation on test basis.</p> <p>In addition to above, we assessed the adequacy of disclosures in the unconsolidated financial statements of the Company regarding application of IFRS 9 as per the requirements of the above standard.</p> |
| 2. | <p><u>Net assets Value</u></p> <p>(Refer to note 6 to the financial Statements)</p> <p>The investment constitutes the most significant component of the net assets value. The investment of the fund as at June 30, 2019 amounted to Rs. 63.054 million.</p> <p>The existence and proper valuation of the investment for determination of NAV of the Fund as at June 30, 2019 was considered as a high risk area and therefore we considered this as a Key audit matter.</p> | <p>We perform following audit procedures:</p> <ul style="list-style-type: none"> • Test and design operating effectiveness of the Key controls for the valuation of the investment • Obtain independent Confirmations for verifying the existence of the investment portfolio as at June 30, 2019 and reconcile with the Books and Records of the Fund. • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies. |



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

Management 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 reports 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 Management and Board of Directors for the Financial Statements

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

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

The Board of directors 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 Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Company 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 the board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit finding. 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 year 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 except for the matter discussed in basis for qualified opinion section, we further report that in our opinion, the financial Statements have been prepared in accordance with the relevant provisions of the Non Banking finance Companies (Establishment and Regulation) Rules 2003 and Non Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Mohammad Ghalib.

Sd/-
Ghalib & Co.
Chartered Accountants

Karachi: October 4, 2019



STATEMENT OF ASSETS AND LIABILITIES
As at June 30, 2019

| | Note | 2019 | 2018 |
|---|------|--------------------|--------------------|
| | | Rupees | |
| ASSETS | | | |
| NON CURRENT ASSETS | | | |
| Long Term Deposits | | 12,500 | 12,500 |
| CURRENT ASSETS | | | |
| Investments | 6 | 63,053,655 | 76,943,445 |
| Advance Income Tax | | 204,222 | 200,193 |
| Other Receivables | 7 | 8,267 | 10,953 |
| Balances with Bank | 8 | 92,221 | 41,774 |
| | | <u>63,358,365</u> | <u>77,196,365</u> |
| TOTAL ASSETS | | 63,370,865 | 77,208,865 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Payable to Investments Adviser-. an associated co | 9 | 8,264,469 | 6,322,434 |
| Accrued expenses | 10 | 4,320,353 | 3,729,838 |
| Unclaimed Dividend | | 426,082 | 426,082 |
| | | <u>13,010,904</u> | <u>10,478,354</u> |
| NET ASSETS | | 50,359,961 | 66,730,511 |
| AUTHORISED SHARE CAPITAL | | | |
| 20,000,000 Certificates of Rs. 10/- each | | <u>200,000,000</u> | <u>200,000,000</u> |
| CERTIFICATE CAPITAL AND RESERVES | | | |
| Certificate Capital | 11 | 50,000,000 | 50,000,000 |
| Unrealized gain/(loss) available for sales Investment | | - | (8,561,846) |
| Unrealized gain/(loss) Financial assets at fair value through Other Comprehensive income | | (8,658,032) | - |
| Unappropriated Profit | | 9,017,993 | 25,292,357 |
| TOTAL CERTIFICATE HOLDERS' FUND | | <u>50,359,961</u> | <u>66,730,511</u> |
| Net Assets value per certificate - Rupees | 12 | <u>10.07</u> | <u>13.35</u> |
| CONTINGENCIES & COMMITMENTS | 13 | | |

Note: The annexed notes 1 - 24 form an integral part of these accounts.

Karachi: October 4, 2019

Chief Executive

Chief Financial Officer

Director



Income Statement

For the year ended June 30, 2019

| | Note | 2019 | 2018 |
|---|------|----------------------------|----------------------------|
| | | Rupees | |
| INCOME | | | |
| Income/(Loss) from Operation | 14 | (13,736,223) | (7,810,151) |
| OPERATING EXPENSES | | | |
| Fee for Tri-Star Investments Ltd.-Investment Advisor | | 1,266,835 | 1,449,466 |
| Annual Fee - CDC of Pakistan Ltd and Custodian fee | | 109,100 | 93,150 |
| Annual Fee - SECP | | 47,506 | 54,355 |
| Auditors' Remuneration | | 225,000 | 225,000 |
| Registrar Fee | | 195,198 | 190,830 |
| Annual Listing Fee | | 487,500 | 59,650 |
| Fee and Subscription | | 24,000 | 7,721 |
| Print and stationery | | 2,500 | - |
| Advertisement Expenses | | 15,275 | 70,750 |
| Other Expenses | | - | 21,000 |
| Bank Charges | | 538 | 1,056 |
| Rates and Tax's - Sales tax | | 164,689 | 188,430 |
| | | <u>2,538,141</u> | <u>2,361,408</u> |
| Profit after taxation | | (16,274,364) | (10,171,559) |
| Liability Written Back | | - | 239,470 |
| | | <u>(16,274,364)</u> | <u>(9,932,089)</u> |
| Taxation | 5.8 | - | - |
| Profit/(Loss) after taxation | | (16,274,364) | (9,932,089) |
| Other comprehensive income/(Loss) for the year: | | | |
| Unrealized gain/(loss) available for sales Investment | 6.2 | | (2,621,861) |
| Unrealized gain/(loss)Financial assets at fair value through Other Comprehensive income | 6.3 | (96,186) | |
| Total comprehensive Income/(Loss) for the year | | <u>(16,370,550)</u> | <u>(12,553,950)</u> |
| Earning/(Loss) per certificate (Rupees) | 16 | | |
| With net unrealized diminution on remeasurement of investments | | <u>(3.27)</u> | <u>(2.51)</u> |
| Without net unrealized diminution on remeasurement of investments | | <u>(3.25)</u> | <u>(1.99)</u> |

Note: The annexed notes 1 - 24 form an integral part of these accounts.

Chief Executive

Chief Financial Officer

Director



Cash Flow Statement

For the year ended June 30, 2019

| | 2019 Rupees | |
|--|---------------------------|-----------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| (Loss) before Taxation | (16,274,364) | |
| Adjustment for non-cash changes and other items: | | |
| Profit on sale of Investments | - | 165,755 |
| Dividend Income | (57,382) | (35,055) |
| Unrealized loss on 'Available for sale' Investments | - | - |
| Unrealized diminution on re-measurement of investments classified as 'Financial Assets at fair value through profit or loss' - net | 13,793,605 | 7,679,451 |
| | 13,736,223 | 7,810,151 |
| Operating cash (outflow)/inflow before working capital changes | (2,538,141) | |
| Decrease/(Increase) in assets | | |
| Other receivables | 2,686 | (10,953) |
| (Decrease)/Increase in liabilities | | |
| Due to Investment Advisor | 1,942,035 | 1,195,535 |
| Accrued Expenses and other Liabilities | 590,515 | 152,458 |
| Net cash (outflow) from operating activities | (2,905) | |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Dividend Income | 57,382 | 35,055 |
| Purchase of Investments | - | - |
| Sale proceed of Investments | - | 755,852 |
| Net cash (outflow)/inflow from investing activities | 57,382 | 790,907 |
| | 54,477 | |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend Paid | - | - |
| Income tax Paid | (4,030) | (5,044) |
| Net cash used in financing activities | (4,030) | |
| Net increase/(decrease) in Cash and Cash Equivalent | 50,447 | |
| Cash and Cash Equivalent at the beginning of the year | 41,774 | 40,809 |
| Cash and Cash Equivalent at the end of the year | 8 92,221 41,774 | |

Chief Executive

Chief Financial Officer

Director

Statement of Movement in Certificate Holders Equity
For the year ended June 30, 2019

| Particulars | Certificate Capital | Unrealized Gain/(Loss) Available for Sale Investment | Unrealized gain / (loss) due to change in fair value of investment through other Comprehensive Income (Rupees) | Accumulated (Loss)/ Unappropriated Profit | Total |
|---|---------------------|--|---|---|-------------------|
| Balance as at June 30, 2017 | 50,000,000 | (5,939,985) | - | 35,224,446 | 79,284,461 |
| Total Comprehensive income for the year | - | (2,621,861) | - | (9,932,089) | (12,553,950) |
| Balance as at June 30, 2018 | 50,000,000 | (8,561,846) | | 25,292,357 | 66,730,511 |
| Effect of Change in Accounting Policy of adoption of IFRS 9 - note 2.1. | - | 8,561,846 | (8,561,846) | - | - |
| Balance as at July 1, 2018 - restated | 50,000,000 | - | (8,561,846) | 25,292,357 | 66,730,511 |
| Total Comprehensive (Loss) for the year | - | - | (96,186) | (16,274,364) | (16,370,550) |
| Balance as at June 30, 2019 | 50,000,000 | - | (8,658,032) | 9,017,993 | 50,359,961 |

Chief Executive

Chief Financial Officer

Director

Statement of Movement in Equity & Reserve - Per Certificate
For the year ended June 30, 2019

| | 2019 Rupees | 2018 |
|--|----------------|---------------|
| Net assets value per share at the beginning of the year | 13.35 | 15.86 |
| Movement in net assets value per certificate from operating activities | | |
| Unrealized appreciation/(diminution) on re-measurement of investments classified as 'Financial Assets at fair value through profit or loss | (2.77) | (1.54) |
| Net realized gain on sale of investments | - | (0.03) |
| Profit/(Loss) for the year excluding unrealized gain | (0.50) | (0.42) |
| | (3.26) | (1.99) |
| Unrealized appreciation/(diminution) in value of investments classified as "Financial assets at fair value through Other Comprehensive income" | (0.02) | (0.52) |
| Net Assets Value per Share at the end of the year | 10.07 | 13.35 |

Chief Executive

Chief Financial Officer

Director



Financial Highlight

Summary of Key Operating Data for the Last Six Years at a Glance

| Particulars | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|--------------|--------------|------------|------------|-------------|------------|
| | Years | | | | | |
| Financial Position: | | | | | | |
| Paid-up Capital | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 |
| Reserves | 357,116 | 16,730,511 | 29,284,460 | 1,473,998 | 1,711,719 | 10,207,716 |
| Inv. in Marketable Securities [†] | 63,053,655 | 76,943,445 | 88,166,363 | 60,887,847 | 59,497,435 | 66,288,593 |
| Other Current Assets | 301,866 | 252,920 | 235,959 | 355,458 | 262,842 | 181,614 |
| Current Liabilities | 13,010,905 | 10,478,355 | 9,130,362 | 9,781,807 | 8,061,058 | 6,274,992 |
| Profit after taxation | (16,373,394) | (12,553,949) | 27,810,463 | (237,721) | (8,495,995) | 19,294,310 |
| Accumulated Profit/(Loss) | 9,015,148 | 25,292,357 | 35,224,446 | 15,944,467 | 1,711,719 | 10,207,716 |
| Financial Indicators: | | | | | | |
| Current Ratio | 4.87:1 | 7.37:1 | 9.68:1 | 6.26:1 | 7.42:1 | 10.6:1 |
| Paid-up value per Share | 10 | 10 | 10 | 10 | 10 | 10 |
| Earning per Share | (3.27) | (2.51) | 5.56 | (0.05) | (1.70) | 3.86 |
| Dividend % | - | - | - | - | - | - |
| Break-up Value per Share | 10.07 | 13.34 | 15.86 | 10.29 | 10.34 | 12.04 |

* Investment in Marketable Securities is stated at Market Value

Distribution Statement

For the year ended June 30, 2019

| | 2019 Rupees | 2018 Rupees |
|---|------------------|-------------------|
| Accumulated Profit brought forward | 25,292,357 | 35,224,446 |
| Profit / (Loss) after taxation for the year | (16,277,209) | (9,932,089) |
| Unappropriated profit carried forward | <u>9,015,148</u> | <u>25,292,357</u> |

Chief Executive

Chief Financial Officer

Director

Karachi: October 04, 2019



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2019

1 Legal Status and Nature of Business

Tri-Star Mutual Fund Limited (Fund) was incorporated as public limited company under Investment Companies and Investment Advisers Rules, 1971 The Investment Companies & Investments Advisor's Rules, 1971 have been repealed by the Non Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules). However, the said repeal does not affect the existing in corporation or registration or license of a company registered under any rules or notifications now repealed. The Fund has entered into an agreement with an associated company Tri-Star Investments Limited to act as its "Investment Adviser".

The Fund is a closed end mutual fund and its certificates are listed on the Pakistan stock Exchange. The principal activity of the Fund is to make investments in equity market.

2 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 and the requirements VIII A of the repealed Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations). Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations have been followed.

2.1 Changes in accounting standards and interpretations

New standards, amendments and improvements effective during the year

Effective from July 1, 2018, the Fund's has adopted IFRS 9 "Financial Instruments" which has replaced IFRS-39 Financial Instruments Financial Recognition and measurements". IFRS 9 addresses recognition, Classification, measurements and derecognition of financial assets and financial liabilities. IFRS 9 has also introduced a new impairment model for all equity investments are required to be measured in the "statement of assets and Liabilities" at fair value with gain and losses recognized in the "Income Statements, except where an irrevocable Election has been made at the time of initial recognition to measure the investment " at fair value through other comprehensive income" (FVOCI) excluding securities which are kept for trading purposes.

Prior to the adoption of IFRS 9, the Fund had Classified its investments in equity instruments as i.e. "available for sales " or " Financial Assets at fair value through profit or loss". The business model of the Fund is to invest in securities where their is opportunity of gain and benefits of the Fund based on long term prospective. The Historical redemption pattern of the fund also reflects that the unit holder have largely taken long term position. Accordingly, the investment Portfolio of the fund which was previously classified as : available for Sale" was primarily focused on long term growth. Consequently, on adoption of IFRS 9 the Fund has Chosen as irrevocable option of Classifying investment in equity instruments, Which were Previously Classified as "Available for Sales" with the Exception of put able instruments, as " at FVOCI", where as the equity instruments Kept under trading portfolio and which were previously classified as " FVTPL", are Continued to be classified as " at FVTPL". The put able instruments have been classified as FVTPL as required under IFRS 9.

As per the requirements of IFRS 9 any surplus / (deficit) arising as a result of subsequent movement in fair value of equity securities classified as FVOCI (including on Disposal) is not recycled to income statements. Consequently, impairment loss previously recognized on Available for Sale securities on account of significant or prolong decline are no longer required to be recognized in the income statement in respect of subsequent decline in the value of investments with effect from July 1, 2018.

The fund has adopted modified retrospective restatement approach for adopting IFRS 9 and accordingly, all changes arising on adoption of IFRS 9 have been adjusted at the beginning of the Current year.

The effect of change in accounting policy effect only made the change of Classification of previously reported as available for sales investment to Investment at fair value through other comprehensive income as of July 1, 2018.

The new accounting policy in respect of financial instruments has no impact on the income statement, statement of comprehensive income and Cash flow statement

There are no other standards, amendments to the standards or interpretations that are effective for annual periods beginning on July 01, 2018 that have a material effect on the financial statements of the fund.

Standards, amendments and improvements to approved accounting standards that are not yet effective

The following standards, amendments and improvements with respect to the IFRSs as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

| Standard or Interpretation | Effective date (annual periods beginning on or after) |
|---|---|
| IFRS 9 -- Prepayment Features with Negative Compensation (Amendments) | 1-Jan-19 |
| IAS 1 -- Presentation of financial statements (Amendments) | 1-Jan-19 |
| IAS 8 -- Accounting policies change in accounting estimates and errors (Amendments) | 1-Jan-19 |

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

3 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on management experience and various other factors which are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year or in the year of revision and future years if the revision affects both current and future years.

The significant accounting area where various assumptions and estimates are significant to the Fund's financial statements or areas where judgment and estimates are significant to the financial statements are as follows:

- (a) Classification and valuation of financial instruments (note 4).
- (b) Impairment of Financial Instruments
- (c) Taxation

Estimates and judgments are continually evaluated and are based on historical experiences and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

4 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Fund's functional and presentation currency.

5 Summary of Significant Accounting Policy

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except for the Change in accounting policy as explained in note 2.1 above:

5.1 Accounting Convention

These financial statements have been prepared under the historical cost convention except for investments which are carried at fair value in accordance with the criteria laid down in the international Accounting Standard 's

5.2 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. Cash and cash equivalents are carried in the statement of assets and liabilities at cost.

5.3 Financial instruments

5.3.1 Initial measurement of financial asset

IFRS 9 has Provided a Criteria for debt securities whereby these debt securities are either classified as:

- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); and
- Measured at amortized cost.

The instruments which are held for Collection are categories at amortized cost where as the instruments which are held for Collection and sales are Categorizes as FVOCI. All residual instruments are categorized under FVTPL.

5.3.2 Equity Investments at FVOCI

All equity investment are required to be measured in the " statement of assets and Liabilities" at fair value, with gains and Losses recognized in the "Income statements" , except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI.

On adoption of IFRS 9 the Fund has made an irrevocable option in respect of equity securities not catgorised under the trading portfolio to be carried " at FVOCI" .

The dividend income from Equity securities classified under FVOCI and FVTPL are to be recognized in the income statement's However, any surplus /(deficit) arising as a result of subsequent movement in fair value of equity securities classified as FVOCI is to be recognized in other Comprehensive income and is not recycled to the income statement on derecognition. The gain on disposal of equity instruments classified as FVOCI is transferred to "Undistributed income".

5.3.3 Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / mark-up income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss account.

5.4 Impairment

5.4.1 Financial assets

The Fund recognizes loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortized cost.

The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

Debt securities that are determined to have low credit risk at the reporting date; and

Other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

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



The Fund assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the Gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Fund has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due. The adoption of the expected loss approach has not resulted in any material change in impairment provision for any financial asset.

5.4.2 Regular way contracts

All Regular purchases and sales of financial assets are recognized on the trade date - the date on which the Fund commits to purchase or sell the asset. Regular way purchase/sales of assets required delivery of securities within two days from the transaction date as per the Stock Exchange regulation.

5.4.3 Initial recognition and measurement

Financial assets are initially recognized at the time of fund becomes a party to the Contractual provisions of the Instruments. These are initially recognized at the fair value of the consideration given including the transaction cost except in case of "financial assets at fair value through profit or Loss. Financial Assets carried at fair value through Profit or loss are initially recognized at Fair value and transaction Cost are recognized in the income Statement.

5.4.4 Impairment of financial assets

The carrying value of the Fund's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the income statement.

Impairment loss on investment other than 'available for sale' is recognized in the Income Statement whenever the carrying amount of investment exceeds its recoverable amount. If in a subsequent period, the amount of an impairment loss recognized decreases the impairment is reversed through the Income Statement.

In case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value is reclassified from other comprehensive income to income statement. Impairment losses recognized on equity securities in the income statement are not reversed subsequently through income statement.

5.4.5 Derecognition

Financial assets are derecognized 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. Any gain or loss on derecognition of financial assets is taken to the Income Statement except for the investment in equity securities classified as FVOCI.

5.5 Financial liabilities

All financial liabilities are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognized at fair value and subsequently stated at amortized cost.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.



5.6 Offsetting of financial assets and 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 recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

5.7 Provisions

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

5.8 Taxation

The income of the Fund is exempt from income tax as per clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed among the unit holders. Provided that for the purpose of determining distribution of at least ninety percent 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) and section 113C (Alternative Corporate Tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. More over super tax introduced in Finance act 2015 is also not applicable on funds (Section 4B of the Income tax Ordinance 2001)

The Fund does not account for deferred tax in these financial statements as the Fund intends to continue availing

the tax exemption in future years by distributing in cash at least ninety percent of its accounting income for the year as reduced by capital gains, whether realized or unrealized, to its unit holders

5.9 Net assets value per unit

The net asset value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net asset of the Fund by the number of units in issue at the year end.

5.10 Expenses

All expenses including NAV based expenses (namely management fee, trustee fee and annual fee payable to the SECP) are recognized in the 'income statement' on accrual Basis.

5.11 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are being amortized over a period of one year.



5.12 Revenue recognition

Dividend income is recognized when the right to receive dividend is established i.e. on the date of book closure of the investee company / institution declaring the dividend.

Gains/ (Losses) arising on Sales of Investments are included in income currently and are recognized on the date when the transaction takes place.

Sale and purchase of investment and resultant gain and loss is recognized on the date of contract.

Profit on bank deposits, mark-up income on government securities and mark-up income on debt securities is recognized using effective yield method.

Unrealized gain/ (losses) arising on revaluation of securities classified as "financial assets at fair value through profit or loss" are included in the income statement in the period in which they arise.

Unrealized gains/(losses) arising on revaluation of securities classified as "financial assets at fair value through other comprehensive income" are included in the income statement in the period in which they arise.

5.13 Earnings per unit (EPU)

Earning/(Loss) per unit is calculated by dividing the net income /(loss) of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

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.

5.14 Distribution

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognized 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 with 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.

| | Note | 2018 Rupees | 2017 |
|---|------|-------------------|-------------------|
| 6 INVESTMENTS | | | |
| "Financial assets at fair value through profit and loss" - held for trading | | | |
| - Quoted equity securities - regular market trade | 6.1 | 57,048,685 | 70,842,290 |
| Available for sale | | | |
| - Quoted equity securities - associated companies | 6.2 | - | 6,101,155 |
| "Financial assets at fair value through Other Comprehensive income | 6.3 | 6,004,970 | - |
| - Quoted equity securities - associated companies | | | |
| | | <u>63,053,655</u> | <u>76,943,445</u> |



6.1 Investments - financial assets at fair value through profit or loss - held for trading

Unless stated otherwise, the holdings are in ordinary shares / certificates of Rs.10/- each.

| Name of Company | Number of Shares as on June 30, 2018 | Cost of Shares as on June 30, 2018 | Market value of Shares as on June 30, 2018 | Shares received during the period | Bonus Shares Received during the period | Shares sold during the period | Balance as at June 30, 2019 | | | Percentage in relation to Investee Companies | |
|--|--------------------------------------|------------------------------------|--|-----------------------------------|---|-------------------------------|-----------------------------|-------------------|--------------------------|--|------------------|
| | | | | | | | Number of Shares | At Cost (Rupees) | At Market Value (Rupees) | Paid-up Capital | Number of Shares |
| | | | | | | | | | | | |
| COMMERCIAL BANKS, | | | | | | | | | | | |
| FINANCIAL SERVICES ETC. | | | | | | | | | | | |
| Askari Bank Ltd. | 4,565 | 57,382 | 99,837 | - | - | - | 4,565 | 57,382 | 86,324 | 0.0009 | 0.0101 |
| Bank Al-Habib Ltd. | 104,619 | 50,255 | 8,247,116 | - | - | - | 104,619 | 50,255 | 8,200,037 | 0.0007 | 0.0143 |
| JS Bank Ltd. | 47,334 | 959,549 | 394,766 | - | - | - | 47,334 | 959,549 | 259,390 | 0.0157 | 0.0077 |
| Foreign Exchange Bearer Certificates 6.1.1 | 36,000 | 3,933,000 | 3,636,000 | - | - | - | 36,000 | 3,933,000 | 3,636,000 | | |
| MCB Bank Ltd. | 61,564 | 821,488 | 12,175,512 | - | - | - | 61,564 | 821,488 | 10,739,840 | 0.0108 | 0.0098 |
| Soneri Bank Ltd. | 8,655 | 27,994 | 112,255 | - | - | - | 8,655 | 27,994 | 88,714 | 0.0005 | 0.0021 |
| Orix Leasing Pakistan Ltd Formerly Standard Chartered Leasing Ltd. | 6,545 | 98,975 | 284,511 | - | - | - | 6,545 | 98,975 | 161,072 | 0.0101 | 0.0167 |
| NONLIFE INSURANCE | | | | | | | | | | | |
| Adamjee Insurance Co.Ltd. | 17,117 | 1,891,417 | 834,111 | - | - | - | 17,117 | 1,891,417 | 599,951 | 0.1529 | 0.0138 |
| PERSONAL GOODS (TEXTILES) | | | | | | | | | | | |
| Faisal Spinning Mills Ltd. | 74,000 | 2,206,265 | 22,200,000 | - | - | - | 74,000 | 2,206,265 | 17,575,000 | 2.2063 | 0.7400 |
| Crescent Textile Mills Ltd. | 383 | 14,119 | 9,652 | - | - | - | 383 | 14,119 | 8,334 | 0.0029 | 0.0008 |
| Mian Textile Industries Ltd | 90,000 | 701,170 | 314,100 | - | - | - | 90,000 | 701,170 | 301,500 | 0.3172 | 0.4071 |
| CONSTRUCTION AND MATERIALS | | | | | | | | | | | |
| Lucky Cement Ltd. | 15,000 | 2,083,824 | 7,618,950 | - | - | - | 15,000 | 2,083,824 | 5,707,050 | 0.0644 | 0.0046 |
| OIL & GAS | | | | | | | | | | | |
| Oil & Gas Development Co. Ltd. | 15,000 | 2,012,403 | 2,334,300 | - | - | - | 15,000 | 2,012,403 | 1,972,350 | 0.0047 | 0.0003 |
| Pakistan State Oil Ltd. | 5,702 | 1,525,057 | 1,815,004 | - | - | - | 5,702 | 1,525,057 | 967,230 | 0.0889 | 0.0033 |
| Shell Pakistan Ltd. | 158 | 11,889 | 49,942 | - | - | - | 158 | 11,889 | 28,829 | 0.0017 | 0.0003 |
| TELECOMMUNICATION | | | | | | | | | | | |
| Pakistan Telecommunication Co.Ltd. | 50,000 | 2,280,683 | 572,000 | - | - | - | 50,000 | 2,280,683 | 413,500 | 0.0060 | 0.0013 |
| MULTI UTILITIES | | | | | | | | | | | |
| Sui Northern Gas Co. Ltd. | 36,748 | 566,649 | 3,682,885 | - | - | - | 36,748 | 566,649 | 2,553,619 | 0.0103 | 0.0067 |
| Sui Southern Gas Ltd. | 1,312 | 26,150 | 43,060 | - | - | - | 1,312 | 26,150 | 27,132 | 0.0004 | 0.0002 |
| CHEMICAL | | | | | | | | | | | |
| Dewan Salman Fibre Ltd. 6.1.2. | 33,639 | 1,750,708 | 29,602 | - | - | - | 33,639 | 1,750,708 | 29,602 | 0.0478 | 0.0092 |
| Engro Corporation Ltd. | 2,887 | 153,917 | 906,114 | - | - | - | 2,887 | 153,917 | 766,787 | 0.0047 | 0.0015 |
| Engro Fertilizer | 288 | | 21,574 | - | - | - | 288 | | 18,423 | | 0.0001 |
| Fauji Fert Bin Qasim Ltd. | 50,000 | 1,980,593 | 1,930,000 | - | - | - | 50,000 | 1,980,593 | 911,500 | 0.0212 | 0.0054 |
| PHARMA AND BIOTECH | | | | | | | | | | | |
| Sanofi-Avantis Ltd. | 3,300 | 469,937 | 3,531,000 | - | - | - | 3,300 | 469,937 | 1,996,500 | 0.4872 | 0.0342 |
| | | 23,623,424 | 70,842,290 | | | | | 23,623,424 | 57,048,685 | | |
| Reversal of provision for Diminution in value of Investments | | 47,218,866 | | | | | | 33,425,261 | | | |
| | | <u>70,842,290</u> | | | | | | <u>57,048,685</u> | | | |



6.1.1 In September 1996, the Income Tax Authorities raided the Company's premises and took away by force, all the records, documents, and valuable securities, including FEBC's/Bearer NIT units of all the Group companies, which included the FEBC's of the Fund; without lawful authority and without making any inventory. This raid caused a serious disruption in the company's business. The company filed a suit against the Income Tax Authorities in the Honorable High Court of Sind, challenging the said act as being illegal. The Honorable High Court of Sind, vide its Order dated July 31, 1998, held that the presence of irregularities and malafides in the act of the Income Tax Department cannot be ruled out. Further, the remaining two ingredients namely balance of convenience and causing irreparable loss and injury, also exists in favour of the company. Further, the Income Tax Department was directed to submit their report keeping in view the provisions of Section 146(C) of The Income Tax Ordinance, 1979, declaring how much more time they would need to return the impounded documents and records. In spite of the orders of the Hon'able High Court of Sindh, the Income Tax Department has neither returned the records nor any of the FEBC's/valuables. The Fund has filed a contempt application against the Department and the matter is now in evidence stage.

6.1.2. Dewan Salman Fibre Limited's aggregate market value of investment based on last available quoted price as of February, 19 2018 stated the same date the transactions of the same company has been suspended till reporting date.

6.2. During the year the Fund has adopted IFRS-9 " Financial Instruments" which has replaced IAS 39 " Financial Instruments: Recognition and Measurement". As a result of adoption of IFRS-9, investments amounting to Rs. 6.101 million have been reclassified from available for sales Category as at June 30, 2018 to at fairvalue through other comprehensive income at fair value through profit or Loss category with effect from July 1, 2018 (as disclosed in note 2.2)

6.3. "Financial assets at fair value through Other Comprehensive income- Quoted equity securities

Shares/ Certificates of associated companies

| Name of Company | Number of Shares as on June 30, 2018 | Cost of Shares as on June 30, 2018 | Market value of Shares as on June 30, 2018 | Shares Purchased during the year | Bonus Shares Received during the year | Shares sold during the year | Balance as at June 30, 2019 | | | Percentage in relation to | |
|--|--------------------------------------|------------------------------------|--|----------------------------------|---------------------------------------|-----------------------------|-----------------------------|------------------|--------------------------|---------------------------|---------------|
| | | | | | | | Number of Shares | At Cost (Rupees) | At Market Value (Rupees) | Investee Companies | |
| | | | | | | | | | | Paid-up Capital | No. of shares |
| EQUITY INVESTMENTS | | | | | | | | | | | |
| INSTRUMENTS | | | | | | | | | | | |
| First Tri-Star Modaraba | 670,067 | 9,698,250 | 5,353,835 | - | - | - | 670,067 | 9,698,250 | 5,695,570 | 4.58 | 3.17 |
| ELECTRICITY | | | | | | | | | | | |
| Tri-Star Power Ltd. | 119,000 | 4,964,750 | 747,320 | - | - | - | 119,000 | 4,964,750 | 309,400 | 3.31 | 0.79 |
| | | 14,663,000 | 6,101,155 | | | | | 14,663,000 | 6,004,970 | | |
| Provision for Diminution in value of Investments | | (8,561,845) | | | | | | (8,658,031) | | | |
| | | 6,101,155 | | | | | | 6,004,970 | | | |

7 OTHER RECEIVABLE

| | | |
|--|-------|--------|
| Advance for Expenses | 8,267 | 8,267 |
| Dividend Receivable from: | | |
| Dividend Receivable From Other companies | | |
| Shell Pakistan Limited | - | 2,686 |
| | 8,267 | 10,953 |

8 CASH AND CASH EQUIVALENTS

| | | |
|---------------------|--------|--------|
| Balances with Banks | 92,221 | 41,774 |
|---------------------|--------|--------|

9 PAYABLE TO INVESTMENT ADVISOR - unsecured
An Associated Company - Tri-Star Investments Ltd.

| | | |
|--------------------------------|---------------|-----------|
| Opening balance | 6,322,434 | 5,126,900 |
| Add: Reimbursable Expenses | 675,200 | 551,069 |
| Add: Remuneration for the year | 9.1 1,266,835 | 1,449,466 |
| | 8,264,469 | 7,127,435 |
| Less: Paid during the year | - | 805,000 |
| | 8,264,469 | 6,322,434 |



9.1 Under the Provision of NBFC Regulations, the management company is entitled to a remuneration of an amount not exceeding three percent of the average annual net assets of the fund during the first five year of the fund's existence, and thereafter, of an amount equal to two percent of such assets of the fund. The remuneration of the management company has been charged at the rate of two percent per annum of the average annual net assets of the fund. The remuneration of the Investment Advisor has been determined as follows:

Under the revised Non-Banking Finance Companies & Notified Entities Regulations 2008, notified on 25 November 2015, the Management Company of the Fund is entitled to a remuneration of an amount not exceeding 2 percent of average annual net assets.

The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Management Company and sales load through Sindh Sales Tax on Services Act, 2011, effective from 01 July 2011. During the year, Sindh Sales Tax at the rate of 13% (30 June 2017: 13%) was charged on management remuneration and sales load.

| | | |
|---|------------|------------|
| Average Annual Net Assets | 63,341,764 | 72,473,297 |
| Remuneration at 2% of average annual net assets | 1,266,835 | 1,449,466 |

| | Note | 2019 Rupees | 2018 |
|---|------|------------------|------------------|
| 10 ACCRUED EXPENSES | | | |
| Custodian and CDC Fee | | 860,042 | 750,942 |
| Listing Fee | | 45,000 | 45,000 |
| Auditors' remuneration | | 565,000 | 340,000 |
| Professional Tax | | 441,631 | 412,868 |
| With holding tax deducted | | 146,801 | 146,801 |
| SECP Annual Fee | | 501,834 | 454,328 |
| Sales tax and FED on remuneration of Investment Advisor | 10.1 | 1,744,770 | 1,579,899 |
| Professional Charges | | 15,275 | |
| | | <u>4,320,353</u> | <u>3,729,838</u> |

10.1 The company had not filled the Sales tax returns due to the company not obtained the Sales tax registration as required by the Sindh Sales tax Ordinance 2012 passed by the Provincial Assembly of Sindh and Form Sindh Revenue Board (SRB).

As per the requirement of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Investment advisor Company has been applied effective from June 13, 2013. The investment advisor Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan along-with Central Depository Company of Pakistan Limited with the Sindh High Court (SHC) on September 04, 2013.

The Honorable Sindh High Court (SHC) through its recent order dated 2 June 2016, in CPD-3184 of 2014 (and others) filed by various taxpayers, has interalia declared that Federal Excise Act 2005 (FED Act) is on services, other than shipping agents and related services, is ultra virus to the Constitution from 01 July 2011. However, the declaration made by the Honorable Court, as directed, will have affect in the manner prescribed in the judgment. The Sind High Court in its decision dated 16 July 2016 in respect of constitutional petition filed by management companies of mutual funds maintained the previous order on the FED.

Sind Revenue Board and Federal Board of Revenue have filed appeals before Honorable Supreme Court against the Sindh High Court's decision of 2016, therefore, the same is pending for the decision. However, after the exclusion of the mutual funds from federal statute on FED from 1 July 2016, the Fund has discontinued making the provision in this regard since July 01, 2016.

11 CERTIFICATE CAPITAL
Issued, subscribed and paid-up certificate capital

| 2018 Number of Certificates | 2017 Number of Certificates | Fully paid ordinary certificates of Rs. 10/- each | | |
|--------------------------------|--------------------------------|--|-------------------|-------------------|
| 5,000,000 | 5,000,000 | Issued for cash | 50,000,000 | 50,000,000 |
| | | | <u>50,000,000</u> | <u>50,000,000</u> |



11.1 Tri-Star Investments Ltd., hold 500,000 and Tri-Star Industries (Pvt) Ltd., hold 99,900 (June 30, 2018: 500,000 and 99,900 shares respectively) of Rs. 10/- each as at June 30, 2017

11.2 Under the provision of NBFC Regulations, 2007, minimum equity requirement to undertake the business of Asset Management Company was Rs. 30 million and to be raised to Rs. 100 million by June 30, 2008. As per SRO # 764 of 2009, the date to extend the equity requirement to Rs. 100 million has been extended up to June, 2011.

| | Note | 2018 | 2017 |
|---|------|------------|------------|
| | | Rupees | |
| 12 NET ASSET VALUE PER CERTIFICATE | | | |
| Total net assets | | 50,359,961 | 66,730,511 |
| Total certificate in issue | | 5,000,000 | 5,000,000 |
| Net asset value per certificate - Rupees | | 10.07 | 13.35 |

13 CONTINGENCIES & COMMITMENTS

As fully disclosed in note 6.1.1 to the Financial Statements.

| | | 2019 | 2018 |
|--|------|--------------|-------------|
| | | Rupees | |
| 14 INCOME FROM OPERATION | | | |
| Securities classified as 'financial assets at fair value through profit or loss' - net | 5.1. | (13,793,605) | (7,679,451) |
| Sale of marketable securities | | - | (165,755) |
| Capital Gain | | (13,793,605) | (7,845,206) |
| Dividend Income | | 57,382 | 35,055 |
| Income from operations | | (13,736,223) | (7,810,151) |

15 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realized or unrealized is distributed to the unit holders in cash. 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. More over, super tax introduced in the finance Act 2015 is also not applicable on funds as per Section 4B of the Income Tax Ordinance 2001. Accordingly, no provision for taxation has been recognized in these financial statements.

16 (LOSS)/EARNING PER CERTIFICATE

| | | | |
|---|--|--------------|--------------|
| Net loss after taxation (with net unrealized appreciation/diminution on investments classified as held for trading) | | (16,370,550) | (12,553,950) |
| Net income after taxation (without net unrealized appreciation/diminution on investments classified as held for trading) | | (16,274,364) | (9,932,089) |
| Weighted average number of certificates | | 5,000,000 | 5,000,000 |
| Basic earning/(loss) per certificate (with net unrealized appreciation/diminution on investments classified as held for trading) | | (3.27) | (2.51) |
| Basic earning/(loss) per certificate (without net unrealized appreciation/diminution on investments classified as held for trading) | | (3.25) | (1.99) |



16.1 There were no convertible dilutive potential ordinary certificates in issue as at June 30, 2019 and 2018.

| | Note | 2019 | 2018 |
|---|------|-----------|-----------|
| | | Rupees | |
| 17 TRANSACTIONS WITH RELATED PARTIES | | | |
| 17.1 Transactions during the year | | | |
| Tri-Star Investments Ltd. | | | |
| Management Fee/Advisory Fee | | 1,266,835 | 1,496,685 |
| Payments made during the year | | - | 805,000 |
| Reimbursable expenses booked for investment advisor | | 675,200 | 551,069 |

18 FINANCIAL INSTRUMENTS BY CATEGORY

| As at June 30, 2019 | | | |
|---------------------------|---|---|-------------------|
| At amortised Cost | Assets at fair value through profit or loss | Assets at fair value through Other Comprehensive Income | Total |
| Rupees | | | |
| Assets | | | |
| Current assets | | | |
| Balances with banks | 41,774 | - | 41,774 |
| Investments | - | 57,048,685 | 57,048,685 |
| Other receivables | 10,953 | - | 10,953 |
| Non-current assets | | | |
| Long-term Deposits | 12,500 | - | 12,500 |
| Total assets | 65,227 | 57,048,685 | 63,131,382 |

| As at June 30, 2019 | | |
|--|--|-------------------|
| Liabilities at fair value through profit or loss | Amortised Cost Other financial liabilities | Total |
| Rupees | | |
| Liabilities | | |
| Current Liabilities | | |
| Payable to Investment advisor-an associa | - | 6,322,434 |
| Accrued Expenses | - | 3,729,838 |
| Unclaimed Dividend | - | 426,082 |
| | | 10,478,354 |

| As at June 30, 2018 | | | |
|---------------------------|---|--------------------|-------------------|
| Amorised Cost | Assets at fair value through profit or loss | Available for sale | Total |
| Rupees | | | |
| Assets | | | |
| Current assets | | | |
| Balances with banks | 41,774 | - | 41,774 |
| Investments | - | 70,842,290 | 70,842,290 |
| Other receivables | 10,953 | - | 10,953 |
| Non-current assets | | | |
| Long-term Deposits | 12,500 | - | 12,500 |
| Total assets | 65,227 | 70,842,290 | 77,008,672 |

| As at June 30, 2018 | | |
|--|-----------------------------|-------------------|
| Liabilities at fair value through profit or loss | Other financial liabilities | Total |
| Rupees | | |
| Liabilities | | |
| Current Liabilities | | |
| Payable to Investment advisor-an associa | - | 6,322,434 |
| Accrued Expenses | - | 3,729,838 |
| Unclaimed Dividend | - | 426,082 |
| | | 10,478,354 |



19 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Fund's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The Risk Management Policy of the Fund aims to maximize the return attributable to the unit holders and seek to minimize potential adverse effects on the fund's financial position. Risks of the Fund are being managed by the Fund manger in accordance with the approved policies of the Investment committee which provides board guidelines for management of risk. Further, overall exposure of the fund complies with NBFC Regulations, and the directives issued by Securities and exchange Commission of Pakistan (SECP). Risk managed and measured by the Fund are explained below.

19.1 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

The management of the Company manages the market risk through diversification of the investment portfolio by exposures and by the following the internal guidelines established by the investment Committee and regulations laid down by the SECP.

19.2 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, at present, is not exposed to currency risk as its operations are geographically restricted to Pakistan and all transactions are carried out in Pak Rupees.

19.3 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 market interest rates. At present, is not exposed to Interest rate risk in its operations.

19.4 Price Risk

The Fund is exposed to equity securities price risk because of investments held by the Fund and classified on the balance sheet as financial assets at fair value through 'profit or loss' and 'available for sale'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks.

19.5 Credit Risk

19.5.1 Credit Risk Management

Credit risk represents the risk of a loss if the counterparties fail to perform as contracted. The Fund's credit risk is primarily attributable to its Bank Balances with banks. The company is not exposed to Credit risk as the company not made investments in the interest based investments. Investment guidelines (approved by Investment Committee) have been established in which the fund can invest its resources.

19.5.2 Concentration of Credit Risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk.



19.6 Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous. The Fund is not materially exposed to liquidity risk as all obligations/commitments of the Fund are short term in nature and are restricted to the extent of available liquidity and all assets of the Fund are readily disposable in the market.

The maturity profile of the Fund's liabilities based on contractual maturities is given below:

| As at June 30, 2019 | | | | |
|---|-------------------|--|--------------------|----------|
| Total | Upto three months | More than three months and upto one year | More than one year | |
| Rupees | | | | |
| Current Liabilities | | | | |
| Payable to Investment advisor - an associated company | 8,264,469 | 1,266,835 | 6,997,634 | - |
| Accrued Expenses | 4,320,353 | 590,515 | 3,729,838 | - |
| Unclaimed Dividend | 426,112 | - | 426,112 | - |
| 13,010,934 | 1,857,350 | 11,153,584 | | - |

| As at June 30, 2018 | | | | |
|---|-------------------|--|--------------------|----------|
| Total | Upto three months | More than three months and upto one year | More than one year | |
| Rupees | | | | |
| Current Liabilities | | | | |
| Payable to Investment advisor - an associated company | 6,322,434 | 681,083 | 5,641,351 | - |
| Accrued Expenses | 3,729,838 | 139,823 | 3,590,015 | - |
| Unclaimed Dividend | 426,112 | - | 426,112 | - |
| 10,478,384 | 820,906 | 9,657,478 | | - |

19.7 Unit Holders Risk Management

The Fund's objectives when managing capital are to safeguard its ability to continue as a going concern so that it can continue to provide returns for certificate holders and to maintain a strong capital base to meet unexpected losses or opportunities.

The Fund has a limited number of certificates sold at the Fund's inception. However, in order to maintain or adjust the capital structure the Fund may issue new certificates. The Fund's certificates are not redeemable directly with the Fund. Instead the certificates are traded on the stock exchanges at a price that is either at a premium or discount to the certificate's net asset value.

19.8 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 the 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 tradable in an open market are revalued at the market prices prevailing on the balance sheet date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book values as the items are either short term in nature or periodically re-priced.



19.9 Fair Value Hierarchy

International Financial Reporting Standard 13, Fair value Measurement requires the Fund to Classify assets 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 (i.e. as prices) or indirectly (i.e. derived from prices) (level 2) ; and

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

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Investments of the Fund carried at fair value are categorized in the level 1 category.

20 Remuneration of Chief Executive, Directors and Executives

No. remuneration or Benefit paid to Chief Executive, Director and Executives of the company due Investment Advisor maintaining the operations of the Company .

21 Date of Authorization for issue

These financial statements were authorized for issue on October 05, 2019 by the Board of Directors of the Investment Adviser.

22 Board meeting Attendance and Pattern of Unit Holding

Board meeting Attendance and Pattern of Unit Holding are annexed to the end of Financial statements.

23 NUMBER OF EMPLOYEES

Number of persons employed as at year end were nil (2018: nil) due to fund Manager/ Investment advisor done all duties of the Fund.

24 General

Corresponding figures have been rearranged and reclassified, whenever necessary, for the purposes of comparison. During the year there were no major reclassifications to report except Classification of Available for Sales investment to fair value through other comprehensive Income as required by IFRS 9 which replaces the IAS 39 as disclosed in note 2.1 to the financial statements..

Figures have been rounded off to the nearest decimal places unless otherwise specified.

Chief Executive

Chief Financial Officer

Director



**Pattern of Shareholding
As At June 30, 2019**

| Number of Shareholders | Shareholding | | Shares Held | Percentage |
|------------------------|--------------|---------|------------------|---------------|
| | From | To | | |
| 280 | 1 | 100 | 26,256 | 0.53 |
| 1,605 | 101 | 500 | 732,952 | 14.66 |
| 374 | 501 | 1,000 | 369,701 | 7.39 |
| 306 | 1,001 | 5,000 | 755,246 | 15.10 |
| 37 | 5,001 | 10,000 | 277,147 | 5.54 |
| 7 | 10,001 | 15,000 | 96,500 | 1.93 |
| 6 | 15,001 | 20,000 | 107,200 | 2.14 |
| 3 | 20,001 | 25,000 | 64,500 | 1.29 |
| 1 | 25,001 | 30,000 | 27,000 | 0.54 |
| 2 | 35,001 | 40,000 | 80,000 | 1.60 |
| 2 | 45,001 | 50,000 | 96,500 | 1.93 |
| 2 | 65,001 | 70,000 | 136,200 | 2.72 |
| 1 | 75,001 | 80,000 | 73,500 | 1.47 |
| 2 | 95,001 | 100,000 | 198,300 | 3.97 |
| 1 | 115,001 | 120,000 | 119,498 | 2.39 |
| 1 | 145,001 | 150,000 | 148,000 | 2.96 |
| 1 | 495,001 | 500,000 | 500,000 | 10.00 |
| 1 | 500,001 | 505,000 | 502,500 | 10.05 |
| 1 | 685,001 | 690,000 | 689,000 | 13.78 |
| 2,633 | | | 5,000,000 | 100.00 |



**CATEGORIES OF SHAREHOLDERS
AS AT JUNE 30, 2019**

| Categories of Shareholders | No. of Shares Held | Percentage |
|--|--------------------|---------------|
| Directors, Chief Executive Officer and their spouses and Minor Children | 5,398 | 0.11 |
| Associated Companies, Undertakings and Related Parties | 500,300 | 10.01 |
| NIT & ICP | 98,300 | 1.97 |
| Banks, Development Finance Institutions, Non- Banking Financial Institutions | 21,200 | 0.42 |
| Mutual Fund & Investment Company | 7,003 | 0.14 |
| General Public (Local) | 4,343,598 | 86.87 |
| Other Companies | 3,001 | 0.06 |
| Joint Stock Companies | 21,200 | 0.42 |
| TOTAL | 5,000,000 | 100.00 |

Proxy Form

I, _____
of _____ being a member
of Tri-Star Mutual Fund Ltd., Karachi and holder of _____
Certificates as per R.F. No. _____ and/or CDC Participant I.D. No.
_____ and Sub Account No. _____ hereby appoint
_____ of _____ or failing him
_____ of _____ as my
proxy to attend and vote for me and on my behalf at the Annual General Meeting of the Fund to be
held on October 28, 2019 at F/538, S.I.T.E., Karachi and at any adjournment thereof.

As witness my hand this _____ day of _____, 2019.

Signed by the said _____

Please affix
Rs. 5/-
Revenue
Stamp

To be signed over Revenue Stamp

- IMPORTANT:**
- a) This form of proxy duly completed must be received at the office of the Company at F/538, S.I.T.E., Karachi, not later than 48 hours before the time of holding the meeting.
 - b) CDC Shareholders and their Proxies must each attach an attested photocopy of their National Identity Card or Passport with their proxy form.
 - c) A proxy should also be a share holder of the Company.