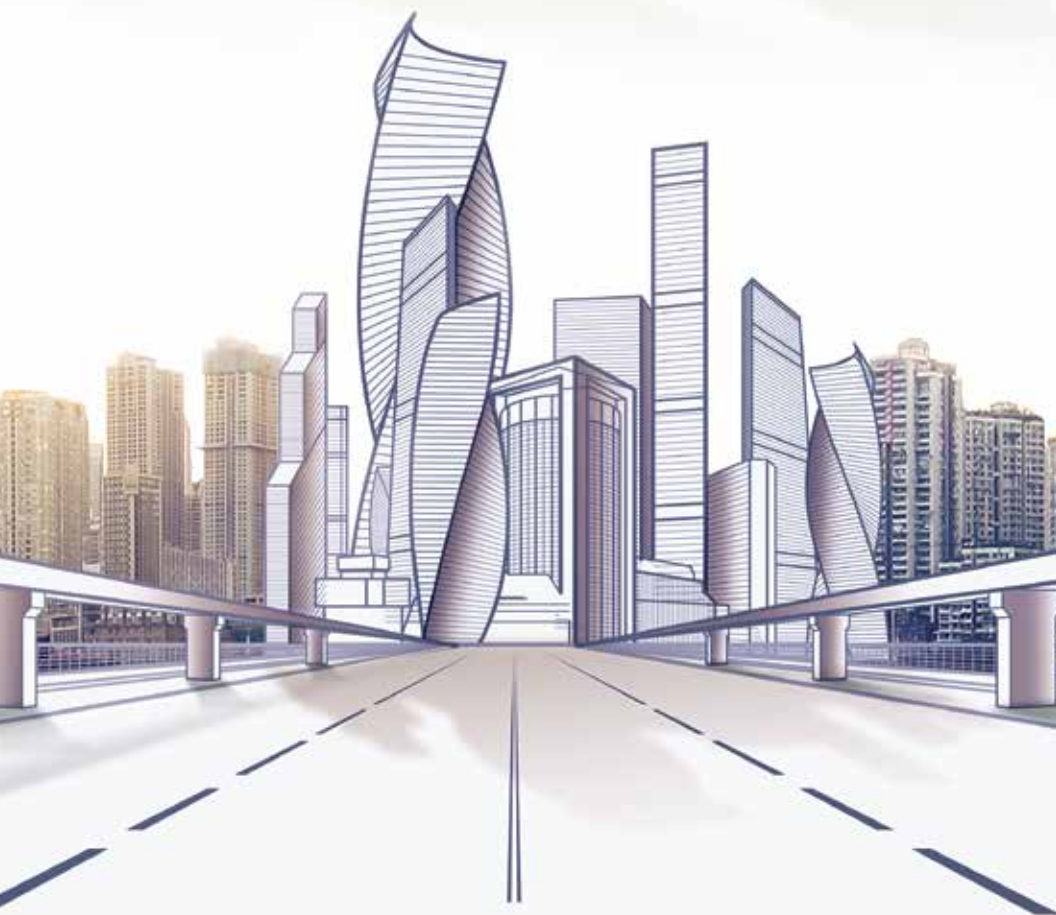


 TPL Properties

**WE DON'T BUILD STRUCTURES,
WE BUILD EXCELLENCE!**



Quarterly Report March 2019





Contents

COMPANY PROFILE

Vision and Mission	04
Company Information	05

DIRECTOR'S REPORT

Economic Outlook	06
Company Outlook	06
Financial Review Standalone Performance	06
Consolidated Performance	07
Credit Rating	07
Acknowledgments	07

UNCONSOLIDATED FINANCIAL STATEMENTS	10
--	----

CONSOLIDATED FINANCIAL STATEMENTS	23
--	----



Vision

To be the region's premier property developers providing world-class infrastructure and quality to investors, supported by the country's leading team of professionals.

Mission

To set the benchmark for other developers to follow.



Company Information

BOARD OF DIRECTORS

Jameel Yusuf S.St.
Ali Jameel
Bilal Alibhai
Ziad Bashir
Sabiha Sultan
Vice Admiral (R) Muhammad Shafi HI (M)
Siraj Dadabhoy
Fawad Anwar

CHIEF EXECUTIVE OFFICER

Ali Jameel

CHIEF FINANCIAL OFFICER

Rahim Badruddin Kazani

AUDIT COMMITTEE

Ziad Bashir
Siraj Dadabhoy
Vice Admiral (R) Muhammad Shafi HI (M)
Yousuf Zohaib Ali

HUMAN RESOURCE & REMUNERATION COMMITTEE

Ziad Bashir
Sabiha Sultan
Fawad Anwar
Ali Jameel
Nader Nawaz

AUDITORS

EY Ford Rhodes Chartered Accountants

LEGAL ADVISOR

Mohsin Tayebali & Co

Chairman
Director
Director
Director
Director
Director
Director
Director

Chairman
Member
Member
Secretary

Chairman
Member
Member
Member
Secretary

BANKERS

Habib Metropolitan Bank Limited
United Bank Limited
Habib Bank Limited
JS Bank Limited
Al Baraka Bank Pakistan Limited
Summit Bank Limited
Bankislami Pakistan Limited
The Bank of Punjab
Silk Bank Limited
Dubai Islamic Bank Limited

SHARE REGISTRAR

THK Associates (Pvt.) Limited
1st Floor, 40-C, Block-6
P.E.C.H.S., Dr. Karachi 75530,
Pakistan
Phone: +92 (21) 34168271
UAN: 111-000-322
FAX: +92 (21) 34168271
Email: secretariat@thk.com.pk

REGISTERED OFFICE

TPL Properties Limited
12th Floor, Centrepont.
Off-Shaheed-e-Millat Expressway,
Adjacent KPT Interchange, Karachi,
Postal Code: 74900

WEB PRESENCE

www.tpl-property.com



Directors' Report

The Directors are pleased to present the audited condensed financial information for the Quarter ended March 31, 2019 and a brief review of the Company's operations.

ECONOMIC OUTLOOK

The real estate sector plays a vital role in the country's economic growth and employment creation given the direct and indirect integration with a number of other sectors. With the lifting of the ban on vertical development in Karachi by the Supreme Court of Pakistan, it is expected that the sector will generate more FDI in the years to come.

Although the Property market has grown in the recent past, the shortage of affordable housing has also increased in the country. With an annual population growth of 3%, the total population of Pakistan is expected to surpass 270 million over the next ten to fifteen years. The forecasted population growth and shortage of supply doesn't bode well if the planning of the real estate sector is not fine-tuned and aligned with market needs. The decision of the government to provide 5 million affordable housing units is a step in the right direction to bring about supply demand parity.

We envisage an immense gap in high-end, well managed residential towers in Karachi. A significant percentage of residential dwellings in Karachi comprises of apartments, despite which there only three completed high-end residential spaces in DHA and Clifton, representing less than 1% of total existing apartment supply of the city.

At the same time, there is a strong need to encourage the underdeveloped housing finance sector in Pakistan. According to a recent report of the SBP, outstanding housing finance volume from banks and the House Building Finance Corporation Limited stands at around PKR 83 billion, equivalent to only 0.5 per cent of GDP.

Since the metropolitan trio, comprising of Karachi, Lahore and Islamabad, is reaching saturation levels in terms of land availability for new projects, an increasing number of builders and developers have shifted their focus on developing vertical urban clusters in the city centres as well as sprawling gated communities towards the outskirts.

In Pakistan, at the end of January 2019, internet penetration stood at 22 percent of population with 44.6 million users. This increased usage has resulted in potential home owners to be more aware of international real estate trends which now influence their expectations. It is these changing consumer lifestyle preferences that have paved the way for high-rise luxury apartments and villas within gated communities and mixed-use developments across Pakistan.

COMPANY OUTLOOK

The Company's super prime residential apartments project One Hoshang is progressing satisfactorily in terms of regulatory permissions and design development. Further the Company is evaluating another potential mixed use development project in Karachi, we are in the process of due diligence and land transfer. We are expected to sign our joint venture arrangement with Equitativa and planning to launch the REIT by third quarter of FY20.

Recognizing the current and future requirements for warehousing in respect to CPEC and several Special Economic Zones (SEZs) being established along the CPEC routes, the Company is looking to diversify its portfolio by investing in logistic. In this regard the Company is investing in the development of a logistic park via a joint venture with a renowned logistic partner who has an established track record of two decades in the industry. The Company is looking to invest in this particular development. We expect this facility to be developed within a period of 18-24 months and will offer off-dock handling and storage facilities for importers and exporters in the Pakistani market.

FINANCIAL REVIEW

STANDALONE PERFORMANCE

Comparisons of the unaudited results of the Company with the corresponding period are given below:

Particulars	Period ended 31-March-19 (unaudited)	Period ended 31-March-18 (unaudited)
Revenue	288,128,876	274,762,824
Gross Profit	279,602,602	267,687,840
Profit before tax	475,902,175	886,227,414
Profit after tax	456,169,166	869,736,385
Number of outstanding shares	327,393,106	273,511,367
Earnings per share – pre tax	1.45	3.24
Earnings per share-post tax	1.39	3.18

Revenue has increased from PKR 274 million to PKR 288 million due to renewal of contracts with some of the tenants on enhanced rates. The same impact of increase in revenue is translated into better gross profit as compared to last year. Other Income includes an amount of revaluation gain of PKR 413 million on account of investment property.

CONSOLIDATED PERFORMANCE

Comparisons of the unaudited results of the Company with the corresponding period are given below:

Particulars	Period ended 31-March-19 (unaudited)	Period ended 31-March-18 (unaudited)
Revenue	431,908,744	411,417,404
Gross Profit	305,133,844	291,110,964
Profit before tax	442,750,969	864,635,898
Profit after tax	420,447,689	843,318,179
Number of outstanding shares	327,393,106	273,511,367
Earnings per share – pre tax	1.35	3.16
Earnings per share-post tax	1.28	3.08

Consolidated revenue of the Company showed an increase (5%) of PKR 20 million as compared to the same period last year due to the increase in maintenance & rental rates during the period. Due to better management of operational expenses, the gross profit has also increased by 5%. The consolidated figure of Profit after tax also includes the revaluation gain of 413 million, mentioned above.

CREDIT RATING

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the long-term and short-term entity ratings of TPL Properties Limited (TPL) at "A+" (Single A plus) and "A1" (A one) respectively with a stable outlook. These ratings denote a low expectation of credit risk emanating from a strong capacity for timely payment of financial commitments.

ACKNOWLEDGMENT

We have been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functional areas and the efficient utilization of all resources for sustainable growth. We place appreciation on the contributions made and committed services rendered by the employees of the Company at various levels. Above all we express gratitude for the continuous assistance and support received from the investors, tenants, bankers, Securities and Exchange Commission of Pakistan and the Pakistan Stock Exchange.



Ali Jameel
Chief Executive



Jameel Yusuf (S.St.)
Chairman

ڈائریکٹرز کی رپورٹ

ڈائریکٹرز 31 مارچ 2019 کو ختم شدہ سہ ماہی کے لیے کابینہ کی آڈٹ شدہ منجملہ مالیاتی معلومات اور اس کے کاروبار کا تفصیلی جائزہ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

معاشی تجزیہ

ریٹیل اسٹیٹ مارکیٹ کا شعبہ دیگر کئی صنعتوں کے ساتھ بلو ایبلہ واپس ہونے کے سبب معاشی ترقی اور روزگار کو ترویج دینے میں اہمیت کا حامل ہے۔ سپریم کورٹ آف پاکستان کی جانب سے کراچی میں بلند و بالا عمارتوں کی تعمیر پر پابندی ختم کرنے سے امید ہے کہ آنے والے سالوں میں یہ شعبہ مزید FDI لانے کا سبب بنے گا۔

حالانکہ ماہی قریب میں پر اپنی مارکیٹ میں ترقی ہوئی ہے لیکن اس کے باوجود ملک میں سستے مکانات کی کمی اب بھی ہے۔ پاکستان میں آبادی کی شرح 3 فیصد سالانہ بڑھنے سے یہاں کی آبادی آئندہ دس سے پندرہ سالوں میں 27 کروڑ سے تجاوز کر جائے گی۔ آبادی میں اس طرح کے اضافے کو سنبھالنا بہت مشکل ہو گا اگر ہم نے مارکیٹ کے صورت حال کے عین مطابق ریٹیل اسٹیٹ سیکٹر کی منصوبہ بندی نہیں کی۔ حکومت کی جانب سے 50 لاکھ سے مکانات کی فراہمی کے اعلان سے ملک میں مکانات کی طلب میں کچھ کمی واقع ہونے کا امکان ہے۔

کراچی میں ہمیں بلند و بالا اور باہولت رہائشی عمارتوں کی نظر آ رہی ہے۔ کراچی میں رہائشی عمارتوں کی مخصوص شرح اپارٹمنٹس پر مشتمل ہے اس کے باوجود ڈیٹنس اور کلکشن میں پر تعیش اعلیٰ طرز تعمیر کی حامل صرف تین بلند و بالا رہائشی عمارتیں مکمل کی جا چکی ہیں جو کہ یہاں اپارٹمنٹس کی موجودہ طلب کے ایک فیصد سے بھی کم ہے۔

اسی کے ساتھ، پاکستان میں ترقی پزیر ہاؤسنگ فنانس کو فروغ دینے کی سخت ضرورت ہے۔ اسٹیٹ آف پاکستان کی حالیہ رپورٹ کے مطابق بینکوں اور ہاؤس بلڈنگ فنانس کارپوریشن لمیٹڈ کی جانب سے ہاؤسنگ فنانس کی مالیت تقریباً 83 بلین روپے ہے جو کہ کئی ڈیڑی لاکھ روپے کا صرف 0.5 فیصد ہے۔

ہمارے تینوں بڑے میٹرو پولیٹن شہروں، کراچی، لاہور اور اسلام آباد میں نئے پروجیکٹس کے لیے زمین کی موجودگی اپنی وسعت کو پہنچ چکی ہے اور سٹے بلڈرز اور ڈیولپرز نے شہری علاقوں میں بلند و بالا عمارت تیار کرنے اور شہر کے مضافات میں چار دیواریوں کے اندر سوسائٹیز اور دیگر نئی روایات کو فروغ دینا شروع کر دیا ہے۔

پاکستان میں جنوری 2019 کے اختتام پر پاکستان کی آبادی کے 44.6 ملین یوزرز کے ساتھ انٹرنیٹ استعمال کرنے والے صارفین کی تعداد آبادی کا 22 فیصد ریکارڈ کی گئی۔ انٹرنیٹ کے استعمال میں اضافے نے صارفین کو انٹرنیشنل ریٹیل اسٹیٹ مارکیٹ کی نئی روایتوں اور ان کی بڑھتی ہوئی امیدوں سے روشناس کرایا ہے۔ انہی نئی امیدوں اور تکنیکوں کے لائف اسٹائل سے متعلق بدلتی ہوئی ترجیحات نے پر تعیش بلند و بالا اپارٹمنٹس اور ہاؤسنگ کے اندر سوسائٹیز اور دیگر نئی روایات کو پاکستان میں فروغ دیا ہے۔

کاروباری تجزیہ

کابینہ کے سپر ایگزیکیوٹو پارٹنرس پروپیکٹ "اون ہوٹلنگ" پر قانونی لوازمات اور ڈیزائن کی تیاری کے حوالے سے ہونے والی پیش رفت اطمینان بخش ہے۔ مزید یہ کہ کراچی میں آفس وہائس کے استعمال کی حامل عمارت کی تیاری زبرد غور ہے جس کے لیے زمین کی منتقلی اور دیگر لوازمات پر کام ہو رہا ہے۔ ہمیں توقع ہے کہ Equitativa کے ساتھ جو انیسٹ وینچر اور REIT کے آغاز کی منصوبہ بندی کے معاہدے پر دستخط مالی سال 2020 کی تیسری سہ ماہی میں دستخط ہو جائیں گے۔

سی بیک اور کئی ایجنسیں آٹانک ڈونز کے قیام کے حوالے سے وہ ہاؤسنگ کی پیدا ہونے والی ضروریات کو پورا کرنے کے پیش نظر، کابینہ لاجسٹک میں سرمایہ کاری سے اپنے آپ کو مستقبل کے مواقع کے لیے تیار کر رہی ہے۔ اس حوالے سے کابینہ لاجسٹک پارک کی تیاری میں سرمایہ کاری کے لیے متعلقہ ایڈمنسٹری میں دو ہائیوں پر مشتمل ٹریک ریکارڈ کی حاصل کابینہ کے ساتھ جو انیسٹ وینچر کر رہی ہے۔ کابینہ اس مخصوص موقع سے فائدہ اٹھانے کے لیے سرمایہ کاری کر رہی ہے۔ ہمیں امید ہے کہ 18 سے 24 ماہ کے اندر یہ سہولت تیار کر لی جائے گی اور ہم پاکستانی مارکیٹ میں اپنی پوزیشن اور ایکویٹیٹی کو آف ڈاک میٹنگ اور اسٹورج کی سہولیات فراہم کریں گے۔

مالی تجزیہ

نفع اور نمو۔ انفرادی حیثیت میں

کمپنی کے غیر آؤٹ شدہ متاثرہ سال کا گزشتہ سال کے اسی عرصہ سے تقابل درج ذیل ہے:

کوائف	31 مارچ 2019 کو ختم شدہ دورانیہ (نمبر آؤٹ شدہ)	31 مارچ 2018 کو ختم شدہ دورانیہ (نمبر آؤٹ شدہ)
آمدنی	288,128,876	274,762,824
مجموعی منافع	279,602,602	267,687,840
منافع قبل از ٹیکس	475,902,175	886,227,414
منافع بعد از ٹیکس	456,169,166	869,736,385
واجب الادا شیئرز کی تعداد	327,393,106	273,511,367
ہر ایک شیئر پر منافع قبل از ٹیکس	1.45	3.24
ہر ایک شیئر پر منافع بعد از ٹیکس	1.39	3.18

کچھ کریہ داروں کے ساتھ زائید کر ایہ داری کے معاہدوں سے آمدنی 274 ملین سے بڑھ کر 288 ملین روپے ہو گئی۔ اسی طرح گزشتہ عرصے کے مقابلے میں مجموعی آمدنی میں اضافہ واقع ہوا۔ دیگر آمدنی میں پراپرٹی سرمایہ کاری کے ضمن میں 413 ملین روپے ری ویلو ایشن آمدنی کے طور پر حاصل ہونا شامل ہے۔ مزید برآں، کمپنی نے HKK لینڈ کے 948,000 حصص فروخت کئے ہیں جس کے نتیجے میں زیر جائزہ عرصے کے دوران 5 ملین روپے کا سرمایہ حاصل ہوا۔

نفع و نمو۔ مجموعی حیثیت میں:

کمپنی کے غیر آؤٹ شدہ متاثرہ سال کا گزشتہ سال کے اسی عرصہ سے تقابل درج ذیل ہے:

کوائف	31 مارچ 2019 کو ختم شدہ دورانیہ (نمبر آؤٹ شدہ)	31 مارچ 2018 کو ختم شدہ دورانیہ (نمبر آؤٹ شدہ)
آمدنی	431,908,744	411,417,404
مجموعی منافع	305,133,844	291,110,964
منافع قبل از ٹیکس	442,750,969	864,635,898
منافع بعد از ٹیکس	420,447,689	843,318,179
واجب الادا شیئرز کی تعداد	327,393,106	273,511,367
ہر ایک شیئر پر منافع قبل از ٹیکس	1.35	3.16
ہر ایک شیئر پر منافع بعد از ٹیکس	1.28	3.08

ڈائریکٹرز کی رپورٹ

کمپنی کی مجموعی آمدنی میں گزشتہ عرصے کے مقابلے میں زبردستی عرصے کے دوران مینٹننس اور رینٹل شرح میں اضافے کے سبب 20 ملین روپے (5%) کا اضافہ ہوا۔ جبکہ کاروباری اخراجات کے بہتر انتظام کے سبب مجموعی منافع میں 5 فیصد اضافہ سامنے آیا۔ بعد از حصول مجموعی منافع میں ری ویلو ایشن سے حاصل ہونے والے 413 ملین روپے شامل ہیں۔

کرڈٹ ریٹنگ

پاکستان کرڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے TPL پر پری لیٹریٹڈ (TPL) کی طویل المدت اور قلیل المدت ادائیگیوں کو مستحکم ظاہری شکل کے ساتھ بائرتیب A+ (سنگھ) (اے پلس) اور AI1 (اے ون) قرار دیا ہے۔ مذکورہ سنگھ، مالیاتی ذمہ داریوں کی بروقت ادائیگی کے حوالے سے اعلیٰ صلاحیت کے ساتھ کم ترین کرڈٹ ریسک کو ظاہر کرتی ہیں۔

اظہار تشکر

ہم پیشہ ورانہ، تخلیق سے ہم آہنگ، دیانت دارانہ اور جہد مسلسل کے ماحول اور اپنے وسائل کے بہترین استعمال سے موثر کاروبار کی بدولت مستحکم ترقی کے قابل ہونے میں ہمیں ہر سطح پر کمپنی کے ملازمین کی لگن اور خدمات کا اعتراف کرتے ہوئے ان کے منتفی ہیں۔ ہم سب سے بڑھ کر، اپنے سرمایہ کاروں، گراہیہ داروں، مینکرز، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کی جانب سے گاہے بگاہے فراہم کی جانے والی معاونت اور راہنمائی پر ان کا بھی شکریہ ادا کرتے ہیں۔



جیل یوسف (ایس ایس ٹی)
چیئرمین



علی جمیل
چیف ایگزیکٹو

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2019 - (UN-AUDITED)

	Note	March 31 2019 (Unaudited)	June 30 2018 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	4,198,250	5,080,698
Intangible assets		640,432	753,449
Investment Property	6	6,607,641,961	6,189,635,029
Long-term investment	7	1,112,724,790	1,150,315,390
Long-term loan to subsidiaries	8	566,600,782	432,506,875
Long-term deposits		286,919	286,919
Interest accrued		22,910,578	40,818,147
		8,315,003,712	7,819,396,507
CURRENT ASSETS			
Receivables against rent from tenants	9	5,083,329	45,419,372
Due from a related party		531,983	331,983
Advances and prepayments	10	58,010,518	25,397,651
Taxation - net		125,645,001	93,258,132
Investments		35,010,000	-
Short-term deposits		-	100,000,000
Cash and bank balances	11	484,433,988	540,589,194
		708,714,819	804,996,332
		9,023,718,532	8,624,392,839
TOTAL ASSETS			
EQUITY & LIABILITIES			
SHARE CAPITAL			
Authorised capital			
400,000,000 (June 30, 2018: 300,000,000)			
ordinary shares of Rs. 10/- each			
		4,000,000,000	3,000,000,000
Issued, subscribed and paid-up capital			
Share premium account		3,273,931,063	2,735,113,670
Accumulated profit		21,746,162	560,563,555
		3,018,310,322	2,562,141,156
		6,313,987,547	5,857,818,381
NON-CURRENT LIABILITIES			
Long-term financing	12	1,995,854,914	2,101,651,829
Deferred tax liability		20,459,089	27,567,486
		2,016,314,003	2,129,219,315
CURRENT LIABILITIES			
Trade and other payables	15	46,067,338	55,993,266
Due to related parties	13	6,583,922	8,076,706
Accrued mark-up	14	12,441,199	57,473,950
Short-term borrowing	16	400,000,000	400,000,000
Current portion of non-current liabilities		110,000,000	44,000,000
Advances against rent from tenants	17	118,324,522	71,811,221
		693,416,982	637,355,143
CONTINGENCIES & COMMITMENTS			
	18		
		9,023,718,532	8,624,392,839
TOTAL EQUITY & LIABILITIES			

The annexed notes from 01 to 26 form an integral part of these condensed interim financial statements.


Chief Executive


Chief Financial Officer


Director

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE PERIOD ENDED MARCH 31, 2019 - (UN-AUDITED)

	Note	For the nine months ended		For the quarter ended	
		March 31 2019	March 31 2018	March 31 2019	March 31 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(Rupees)		(Rupees)	
Rental income	19	288,128,876	274,762,824	99,555,753	91,587,605
Direct operating costs		(8,526,274)	(7,074,985)	(1,528,381)	(2,361,606)
Gross profit		279,602,602	267,687,839	98,027,371	89,225,999
Administrative & general expenses		(74,359,095)	(63,559,069)	(24,524,948)	(28,050,749)
Operating profit		205,243,507	204,128,770	73,502,423	61,175,250
Finance costs	23	(186,817,615)	(154,209,190)	(68,014,693)	(58,809,749)
Other Income	20	457,476,283	836,307,833	11,731,316	94,512
Profit before taxation		475,902,175	886,227,414	17,219,046	2,460,014
Taxation	24	(19,733,009)	(16,491,027)	(7,942,133)	96,017
Profit for the period		456,169,166	869,736,385	9,276,912	2,556,030
Other comprehensive income for the period, net of tax		-	-	-	-
Total comprehensive income for the period		456,169,166	869,736,385	9,276,912	2,556,030
Earnings per share - Basic and diluted		1.39	3.18	0.03	0.01

The annexed notes from 01 to 26 form an integral part of these condensed interim financial statements.



Chief Executive



Chief Financial Officer



Director

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED MARCH 31, 2019 - (UN-AUDITED)

Note	March 31 2019 (Unaudited)	March 31 2018 (Unaudited)
	(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation for the period	475,902,175	886,227,414
Adjustments for Non-Cash Items		
Depreciation	1,975,941	1,742,483
Finance Costs	188,817,615	154,209,190
Markup on savings account	(21,059,521)	(16,202,023)
Fair value gain on investment property	(412,950,390)	(819,783,182)
Markup on long-term loan	17,907,569	11,189,561
Working capital Changes		
(Increase) / decrease in current assets		
Advances and deposit	(32,612,867)	(16,137,236)
Investments	(35,010,000)	-
Due from a related party	(200,000)	(126,904,747)
Short-term deposits	100,000,000	(100,000,000)
Rent receivable	40,336,043	5,889,514
	72,513,176	(237,152,469)
Increase / (decrease) in current liabilities		
Advance against rent from tenants	46,513,301	22,816,878
Trade and other payables	(9,925,928)	(21,710,839)
	36,587,373	1,106,039
Net cash flows used in operations	357,693,938	(18,662,988)
Finance cost paid	(187,469,522)	(74,776,553)
Markup on savings account received	21,059,521	16,202,023
Income tax paid	(59,228,274)	(46,940,346)
Net cash flows used in operating activities	132,055,662	(124,177,863)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment	(980,475)	(657,799)
Long term loan	(134,093,907)	(131,331,696)
Long term Investment	37,590,600	-
Security deposit	-	(100,000)
Expenditure incurred on Investment property	(621,681)	(12,835,905)
Additions to capital work-in-progress	(4,434,861)	(4,047,488)
Net cash flows used in investing activities	(102,540,324)	(148,972,888)
Long term financing	(84,177,759)	169,268,732
Short term borrowings	-	400,000,000
Due to related parties	(1,492,784)	(10,987,041)
Net cash flow from financing activities	(85,670,543)	558,281,691
Net decrease in cash and cash equivalents	(56,155,204)	285,130,939
Cash and cash equivalents at the beginning of the year	540,589,192	344,332,622
Cash and cash equivalents at the end of the year	484,433,988	629,463,561

The annexed notes from 01 to 26 form an integral part of these condensed interim financial statements.


Chief Executive


Chief Financial Officer


Director

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED MARCH 31, 2019 - (UN-AUDITED)

	Issued, subscribed and paid up capital	Share premium (Rupees)	Accumulated Profit	Total
Balance at June 30, 2017	2,735,113,670	560,563,555	1,327,511,411	4,623,188,636
Profit for the period	-	-	869,736,385	869,736,385
Balance at March 31, 2018	<u>2,735,113,670</u>	<u>560,563,555</u>	<u>2,197,247,796</u>	<u>5,492,925,022</u>
Balance at June 30, 2018	2,735,113,670	560,563,555	2,562,141,156	5,857,818,381
Profit for the period	-	-	456,169,166	456,169,166
Bonus shares	538,817,393	(538,817,393)	-	-
Balance at March 31, 2019	<u>3,273,931,063</u>	<u>21,746,162</u>	<u>3,018,310,322</u>	<u>6,313,987,547</u>

The annexed notes from 01 to 26 form an integral part of these condensed interim financial statements.



Chief Executive



Chief Financial Officer



Director

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

1 LEGAL STATUS AND OPERATIONS

TPL Properties Limited (the Company) was incorporated in Pakistan as a private limited company on February 14, 2007 under the repealed Companies Ordinance, 1984 [now Companies Act, 2017 (the Act)]. In September 2015, the Company changed its status from private limited company to public company. The principal activity of the Company is to invest, purchase, develop and build real estate and to sell, rent out or otherwise dispose off in any manner the real estate including commercial and residential buildings, houses, shops, plots or other premises. The registered office of the Company is situated at Centrepoint Building, Off Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi. TPL Corp Limited (formerly TPL Trakker Limited) and TPL Holdings (Private) Limited are the parent and ultimate parent company respectively, as of reporting date.

- 1.1 These financial statements are the separate financial statements of the Company, in which investment in subsidiary companies namely Centrepoint Management Services (Private) Limited, G-18 (Private) Limited and HKC Limited have been accounted for at cost less accumulated impairment losses, if any.

2 STATEMENT OF COMPLIANCE

These condensed interim unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Where the provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

3 BASIS OF PREPARATION

- 3.1 These condensed interim unconsolidated financial statements are un-audited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 237 of the Act. These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual unconsolidated financial statements of the Company for the year ended June 30, 2018.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the unconsolidated financial statements for the year ended June 30, 2018, except for the adoption of the new and amended standards, interpretation and improvements to IFRSs by the Company, which became effective for the current period:

Standards, interpretations and improvements

IFRS 2 Classification and measurement of Share-based Payments Transactions (Amendments)

IFRS 4 Insurance Contracts: Applying IFRS 9 with IFRS 4 Insurance Contracts (Amendments)

IFRS 9 Financial Instruments

IFRS 15 Revenue from Contracts with Customers

IAS 40 Investment Property: Transfers of Investment Property (Amendments)

IFRIC 22 Foreign Currency Transactions and Advance Considerations

Improvements to accounting standards issued by IASB in December 2016

The adoption of the above standards, interpretations and improvement to standard did not have any material effect on the condensed interim financial statements, except for IFRS 9 Financial Instruments. The revised accounting policy adopted by the management is as follows.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

IFRS 9 – Financial Instruments

"IFRS 9 'Financial Instruments' has replaced IAS 39 'Financial Instruments: Recognition and Measurement' for annual periods beginning on or after 1 July 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The Company has applied IFRS 9 retrospectively, with the initial application date of 1 July 2018 as notified by the Securities and Exchange Commission of Pakistan (SECP).

The Company's financial assets mainly include long-term investment, long-term loan to subsidiaries, long-term deposits, interest accrued, receivables against rent from tenants, advances, due from a related party, short-term investments and bank balances held with commercial banks.

The adoption of IFRS 9 has changed the accounting for impairment losses for financial assets by replacing the incurred losses model approach with a forward looking expected credit loss (ECL) approach. Expected Credit Loss (ECL) are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

Considering the nature of operations and financial assets on the statement of the financial position of the company, the management believes that there will be no significant ECL change on the financial assets of the company.

ACCOUNTING ESTIMATES AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim unconsolidated financial statements require 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.

In preparing these condensed interim unconsolidated financial statements, the significant judgements made by the management in applying the Company's accounting policies and areas where assumptions and estimates are significant are same as those applied to the financial statements as at and for the year ended June 30, 2018. The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company as at and for the year ended June 30, 2018.

	Note	March 31 2019 (Unaudited)	June 30 2018 (Audited)
(Rupees)			
5	PROPERTY, PLANT AND EQUIPMENT		
	Property, plant and equipment	4,198,250	5,080,699
5.1	The movement in property, plant and equipment during the period / year are as follows:		
	Opening balance	5,080,698	6,736,214
	Add: Additions during the period / year	980,475	656,299
		6,061,173	7,392,513
	Less: Depreciation Charge for the period / year	(1,862,923)	(2,311,814)
		4,198,250	5,080,699
5.1.1	Additions including transfers during the period		
	Computer and accessories	758,829	627,799
	Mobile phones	221,646	28,500
		980,475	656,299

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

	Note	March 31 2019 (Unaudited)	June 30 2018 (Audited)
(Rupees)			
6	INVESTMENT PROPERTY		
	Investment property	6,578,933,434	6,165,361,363
	Capital work in process	28,708,527	24,273,666
		6,607,641,961	6,189,635,029
6.1	The movement in investment property during the period /year are as follows:		
	Opening balance	6,165,361,363	4,967,683,819
	Add: Additions during the period / year	621,681	16,868,937
		6,165,983,044	4,984,552,756
	Gain from fair value adjustment	412,950,390	1,180,808,607
	Closing balance	6,578,933,434	6,165,361,363
7	LONG-TERM INVESTMENT		
	Investment in subsidiary companies - at cost		
	Centrepoint Management Services (Private) Limited	352,999,990	352,999,990
	HKC Limited	708,724,800	797,315,400
	G-18 (Pvt.) Ltd	1,000,000	-
	TPL REIT Management Company Ltd	50,000,000	-
		1,112,724,790	1,150,315,390
8	LONG-TERM LOAN TO SUBSIDIARY		
	Centrepoint Management Services (Private) Limited	289,087,511	241,425,322
	HKC Limited	277,513,271	191,081,553
		566,600,782	432,506,875
9	RECEIVABLES AGAINST RENT FROM TENANTS - unsecured, considered good		
	Related parties:		
	TPL Trakker Limited	-	31,147,335
	TPL Insurance Limited	5,083,329	-
	Others	-	14,272,037
		5,083,329	45,419,372
10	ADVANCES & PREPAYMENTS- Secured		
	Advances		
	Suppliers and contractors	56,195,549	20,648,970
	Prepayments		
	Insurance	1,814,970	4,748,681
		58,010,518	25,397,651

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

	Note	March 31 2019 (Unaudited)	June 30 2018 (Audited)
		(Rupees)	
11 CASH AND BANK BALANCES			
Cash in hand		150,850	197,943
Cash at banks in local currency			
- current accounts			
- islamic banking		482,729	487,192
- conventional banking		800,107	55,982,173
- savings accounts			
- islamic banking		231,204,715	233,889,218
- conventional banking		251,795,586	250,032,668
		484,433,988	540,589,194
12 LONG-TERM FINANCING			
Term finance certificates		2,105,854,914	2,145,651,829
Less : Current Portion shown under current liabilities		(110,000,000)	(44,000,000)
		1,995,854,914	2,101,651,829
13 DUE TO RELATED PARTIES			
TPL Trakker Limited		486,098	5,496,316
TPL Insurance Limited		6,097,824	2,472,620
Centrepoint Management Services (Private) Limited - the subsidiary company		-	107,770
		6,583,922	8,076,706
14 ACCRUED MARK-UP			
Accrued mark-up on:			
Long-term financing		11,435,658	49,853,206
Due to related parties:			
TPL Trakker Limited		220,702	-
TPL Holdings (Pvt) Ltd -Ultimate Parent		18,333	18,333
Short-term borrowings		239,035	18,333
		766,507	7,602,411
		12,441,199	57,473,950
15 TRADE & OTHER PAYABLES			
Creditors		23,522,961	27,168,900
Accrued expenses		5,504,538	9,846,660
Retention money		5,018,090	7,970,846
Workers' Welfare Fund		9,290,946	9,290,946
Provident Fund		401,202	401,202
Withholding Income Tax Payable		2,329,601	1,314,712
		46,067,338	55,993,266
16 SHORT TERM BORROWINGS			

During the period, company has obtained short term loan amounting to PKR 400 million from Islamic Bank. It carries mark up at the rate of 3 months KBOR plus 2.50 percent per annum payable quarterly in arrears. Its is secured against equitable over land and building of the holding company.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

	Note	March 31	June 30
		2019	2018
		(Unaudited)	(Audited)
		(Rupees)	
17	ADVANCE AGAINST RENT		
	TPL Trakker Ltd	8,740,648	-
	TPL Insurance Ltd - related party	-	1,750,301
	Others	109,583,874	70,060,920
		118,324,522	71,811,221

18 CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies and commitments as reported in the annual financial statements of the company for the year ended June 30, 2018.

	For the nine months ended		For the quarter ended		
	March 31	March 31	March 31	March 31	
		(Un-audited)	(Un-audited)	(Un-audited)	
		(Rupees)		(Rupees)	
19	RENTAL INCOME				
	TPL Trakker Limited	31,443,170	31,443,170	10,481,056	10,481,056
	TPL Insurance Limited	34,067,403	34,067,403	11,355,801	11,355,801
	Others	222,618,302	209,252,251	77,718,895	69,750,748
		288,128,876	274,762,824	99,555,753	91,587,605
20	OTHER INCOME				
	Profit on saving account	21,059,521	16,202,023	4,042,126	3,409,999
	Markup on long-term loan	17,348,473	73,628	7,336,034	(3,315,487)
	Valuation gain on investment property	412,950,390	819,783,182	-	-
	Others	534,179	249,000	353,156	-
	Gain on sale of shares	5,583,720	-	-	-
		457,476,283	836,307,833	11,731,316	94,512
21	FINANCE COSTS				
	Markup on Long-term financing	153,123,688	127,407,185	54,368,706	49,658,819
	Short-term borrowings due to related parties	33,064,328	24,594,290	13,637,739	8,204,817
		220,702	1,771,642	-	745,255
		186,408,718	153,773,117	68,006,445	58,608,891
	Bank Charges	408,896	436,072	8,248	200,857
		186,817,615	154,209,190	68,014,693	58,809,749
22	TAXATION				
	Current	26,841,405	21,940,720	7,942,133	2,444,185
	Deferred	(7,108,397)	(5,449,692)	-	(2,540,201)
	Taxation net	19,733,009	16,491,027	7,942,133	(96,017)

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

23 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise ultimate parent company, parent company, associated companies, major shareholders, directors and key management personnel. The Company has a policy whereby transactions with related parties are entered into at arm's length basis. The transactions with related parties other than those disclosed elsewhere in these condensed interim financial statements are as follows:

Note	March 31 2019 (Unaudited)	March 31 2018 (Unaudited)
	(Rupees)	
The Ultimate Parent Company		
TPL Holdings (Private) Limited (THL)		
Mark-up on current account	-	9,340
TPL Corp Limited (TCL)		
Payment made by the Company	-	2,730,000
Mark-up on current account	-	73,628
Associated Company		
TPL Trakker Limited		
Amount received from TTL	-	20,000,000
Payment made to TTL on account of accrued mark-up	-	1,779,665
Payment made by the Company	17,000,000	72,627,136
Mark-up on current account	204,951	1,762,303
Expenses incurred / paid by TTL on behalf of the Company	15,041,610	40,915,430
Services acquired by the Company	31,443,170	31,443,170
Subsidiary Company		
Centrepont Management Services (Private) Limited (CMS)		
Long-term loan received during the year	73,553,138	-
Long-term loan paid during the year	121,215,327	131,331,696
Payment received from CMS on account of accrued mark-up	34,613,053	11,263,189
HKC Limited (HKC)		
Expenses incurred / paid by the Company	86,431,718	124,174,747
Mark-up on long-term loan	17,348,473	-
Common Directorship		
TPL Insurance Limited		
Expenses incurred / paid by TIL on behalf of the Company	3,625,204	724,666
Services acquired by the Company	34,067,403	34,067,403
Staff retirement benefit fund		
TPL Properties Limited – Provident fund		
Employer contribution	1,861,098	1,275,578

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

24 DATE OF AUTHORIZATION OF ISSUE

These condensed interim financial statements have been authorized for issue on 22nd April 2019 by the board of directors of the Company.

25 CORRESPONDING FIGURES

Certain prior period's figures have been rearranged consequent upon certain changes in the current period's presentation for more appropriate comparison, where necessary.

26 GENERAL

Figures in these condensed interim financial statements have been rounded off to the nearest rupee.



Chief Executive

Chief Financial Officer

Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2019

	Note	March 31 2019 (Unaudited)	June 30 2018 (Audited)
		(Rupees)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	366,859,807	387,103,277
Intangible assets	6	1,137,632	1,250,649
Investment property	7	6,607,641,961	6,189,635,029
Development properties	8	1,213,921,203	1,088,264,861
Long-term deposits	9	2,786,919	2,786,919
Deferred tax asset	10.	93,565,775	86,457,378
		8,285,913,297	7,755,498,113
CURRENT ASSETS			
Tools		3,702,912	853,932
Receivables against rent, maintenance and other services	11	69,454,625	153,705,805
Advances and prepayments	12	70,329,119	49,781,411
Due from related parties	13	1,911,563	1,287,086
Taxation - net		146,206,447	109,314,097
Short-term investment	14	35,010,000	100,000,000
Interest accrued		-	642,991
Cash and bank balances	15	503,062,487	558,786,594
		829,677,153	974,371,916
		9,115,590,450	8,729,870,029
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL			
Authorised capital			
400,000,000 (2018: 300,000,000) ordinary shares of Rs.10/- each		4,000,000,000	3,000,000,000
Issued, subscribed and paid-up capital	16	3,273,931,063	2,735,113,670
Capital reserve			
Share premium account		21,746,162	560,563,555
Revenue reserve			
Accumulated profit		2,669,567,718	2,249,120,029
		5,965,244,943	5,544,797,254
Non-controlling interest		176,127,149	87,536,549
		6,141,372,092	5,632,333,803
NON-CURRENT LIABILITY			
Long-term financing	17	2,128,104,136	2,288,901,051
CURRENT LIABILITIES			
Trade and other payables	18	90,396,315	125,720,135
Due to related parties - unsecured	19	6,583,922	8,430,936
Accrued mark-up	20	13,525,527	63,553,126
Short-term borrowing - secured	21	400,000,000	400,000,000
Current portion of long-term financing	17	165,000,000	99,000,000
Advances against rent, maintenance and other services	22	170,608,458	111,930,978
		846,114,222	808,635,175
		9,115,590,450	8,729,870,029
TOTAL EQUITY AND LIABILITIES			

The annexed notes from 1 to 29 form an integral part of these consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED MARCH 31, 2019

Note	For the nine months ended		For the quarter ended		
	March 31 2019	March 31 2018	March 31 2019	March 31 2018	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
	(Rupees)		(Rupees)		
Revenue	23	431,908,744	411,417,403	145,937,399	135,106,800
Direct operating costs		(126,774,900)	(120,306,439)	(39,312,873)	(37,257,519)
Gross profit		305,133,844	291,110,964	106,624,526	97,849,281
Administrative and general expenses		(99,692,905)	(92,094,121)	(32,721,127)	(38,068,213)
Finance costs		(203,574,977)	(172,999,987)	(73,674,183)	(65,060,722)
Other income	24	440,885,007	838,619,041	4,496,337	4,461,250
Profit before taxation		442,750,969	864,635,897	4,725,553	(818,404)
Taxation	25	(22,303,280)	(21,317,719)	(8,564,423)	(4,041,238)
Profit for the year		420,447,689	843,318,178	(3,838,870)	(4,859,642)
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		420,447,689	843,318,178	(3,838,870)	(4,859,642)
Attributable to:					
Owners of the Holding Company		420,447,689	843,418,125	(3,838,870)	(4,855,165)
Non-controlling interest		-	(99,946)	-	(4,477)
		420,447,689	843,318,179	(3,838,870)	(4,859,642)
Earning per share basic & diluted		1.28	3.08	(0.01)	(0.02)

The annexed notes from 1 to 29 form an integral part of these consolidated financial statements.



Chief Executive



Chief Financial Officer



Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED MARCH 31, 2019

Note	March 31 2019 (Unaudited)	March 31 2018 (Unaudited)
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	442,750,969	864,635,897
Adjustments for non-cash items		
Depreciation	31,594,908	28,613,168
Finance costs	203,574,977	172,999,987
Mark-up on savings account	(21,080,190)	(16,423,669)
Fair value gain on investment property	(412,950,390)	-
	(198,860,695)	185,189,486
Working capital changes		
(Increase) / decrease in current assets		
Receivables against rent from tenants	84,251,180	(39,524,106)
Tools	(2,848,980)	(1,574,253)
Advances and prepayments	(20,547,708)	(52,737,399)
Short-term deposits	64,990,000	(100,000,000)
Due from a related party	(624,477)	(2,965,659)
	125,220,015	(196,801,417)
(Decrease) / increase in current liabilities		
Trade and other payables	(35,323,820)	5,529,617
Accrued expenses	642,991	(10,987,041)
Advance against rent from tenants	58,677,480	28,354,305
	23,996,651	22,896,881
Cash generated from operations	393,106,940	875,920,848
Finance cost paid	(249,399,491)	(86,047,183)
Markup on savings account received	21,080,190	16,423,669
Income tax paid - net of refund	(66,304,027)	(55,188,384)
Net cash used in operating activities	98,483,612	751,108,950
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(11,326,578)	(7,646,304)
Additions to development properties	(125,656,342)	(146,623,939)
Purchase of intangible assets	88,157	-
Expenditure incurred on investment property	(5,056,542)	(832,619,087)
Long-term deposits - net	-	(2,600,000)
Net cash used in investing activities	(141,951,305)	(989,489,330)
CASH FLOWS FROM FINANCING ACTIVITIES*		
Proceeds from Sale of shares	88,590,600	-
Long-term financing - net	(99,000,000)	129,130,095
Short-term borrowings - net	-	400,000,000
Due to related parties	(1,847,014)	-
Net cash generated from / (used in) financing activities	(12,256,414)	529,130,095
Net increase / (decrease) in cash and cash equivalents	(55,724,107)	290,719,714
Cash and cash equivalents at the beginning of the year	558,786,594	353,630,171
Cash and cash equivalents at the end of the year	503,062,487	644,349,885

*No non-cash items are included in these activities

The annexed notes from 1 to 29 form an integral part of these consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED MARCH 31, 2019 - (UN-AUDITED)

	Issued, subscribed and paid up capital	Capital reserve share	Revenue reserve accumulated	Non-controlling interest	Total
	(Rupees)				
Balance at June 30, 2017	2,735,113,670	560,563,555	1,053,438,147	87,635,191	4,436,750,563
Profit for the year	-	-	843,418,125	-	843,418,125
Other comprehensive income for the year	-	-	-	-	-
Loss attributable to non-controllable interest for the year	-	-	-	(99,946)	(99,946)
Balance at March 31, 2018	<u>2,735,113,670</u>	<u>560,563,555</u>	<u>1,896,856,272</u>	<u>87,535,245</u>	<u>5,279,995,115</u>
Balance at June 30, 2018	2,735,113,670	560,563,555	2,249,120,029	87,536,549	5,632,333,803
Profit for the year	-	-	420,447,689	-	420,447,689
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	420,447,689	-	420,447,689
Loss attributable to non-controllable Bonus Shares Issued	538,817,393	(538,817,393)	-	88,590,600	88,590,600
Balance at March 31, 2019	<u>3,273,931,063</u>	<u>21,746,162</u>	<u>2,669,567,718</u>	<u>176,127,149</u>	<u>6,141,372,092</u>

The annexed notes from 1 to 29 form an integral part of these consolidated financial statements.



Chief Executive



Chief Financial Officer



Director

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019

1 LEGAL STATUS AND OPERATIONS OF THE GROUP

1.1 The Group comprises of TPL Properties Limited, its subsidiary companies i.e. Centrepont Management Services (Private) Limited, HKC Limited and G-18 (Private) Limited that have been consolidated in these consolidated financial statements.

1.2 Holding Company

TPL Properties Limited [the Holding Company] - TPLP

TPL Properties Limited [the Holding Company] was incorporated in Pakistan as a private limited company on February 14, 2007 under the repealed Companies Ordinance, 1984. Subsequently in 2016, the Holding Company had changed its status from private limited company to public company and was listed on the Pakistan Stock Exchange Limited. The principal activity of the Holding Company is to invest, purchase, develop and build real estate and to sell, rent out or otherwise dispose off in any manner the real estate including commercial and residential buildings, houses, shops, plots or other premises. TPL Corp Limited (formerly TPL Trakker Limited) and TPL Holdings (Private) Limited are the Parent Company and Ultimate Holding Company respectively, as of reporting date.

Geographical location and address of the business premises-

<i>Address</i>	<i>Purpose</i>
Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi.	Head office and rented premises

1.3 Subsidiary Companies

1.3.1 Centrepont Management Services (Private) Limited [CMS]

CMS was incorporated in Pakistan as a private limited company on August 10, 2011 under the repealed Companies Ordinance, 1984. The principal activity of CMS is to provide building maintenance services to all kinds and description of residential and commercial buildings.

CMS had started its business activities and operations in year 2014 by providing maintenance and other services under the terms of an agreement to the Centrepont Project of the Parent Company. Currently, the CMS is in start-up phase and fully supported by the financial support of the Parent Company to achieve its full potential in order to make adequate profits and generate positive cash flows.

Geographical location and address of the business premises

<i>Address</i>	<i>Purpose</i>
Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi.	Registered office

1.3.2 HKC Limited [HKC]

HKC Limited was incorporated in Pakistan on September 13, 2005 as a public limited company under the repealed Companies Ordinance, 1984. The Company is principally engaged in the acquisition and development of real states and renovation of buildings and letting out.

Geographical location and address of the business premises

<i>Address</i>	<i>Purpose</i>
Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi.	Registered office
Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi	Development property site

1.3.3 G-18 (Private Limited) [G-18]

During the year 2018, the Group has established a wholly owned subsidiary, G-18 (Private) Limited [G-18], by virtue of 99.995% shareholding. G-18 a private limited company incorporated during the year for the purpose of Property development. However, as at the reporting date no share capital has been injected and G-18 has not commenced its operations.

Geographical location and address of the business premises

<i>Address</i>	<i>Purpose</i>
Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi.	Registered office.

2 BASIS OF CONSOLIDATION

These unaudited condensed interim consolidated financial statement comprise of the financial statements of the holding company, its subsidiary companies namely Centrepoint Management Services (Private) Limited, G-18 (Private) Limited and HKC Limited as at March 31, 2019, here-in-after referred to as the "The Group"

2.1 Adoption of Companies Act, 2017 (note 3).

3 STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Where the provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

"The accounting policies and methods of computation adopted for the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the consolidated financial statements for the year ended June 30, 2018, except for the adoption of the new and amended standards, interpretations and improvements to IFRSs by the Company, which became effective for the current period:

Standards, interpretations and improvements

IFRS 2	Classification and Measurement of Share-based Payments Transactions (Amendments)
IFRS 4	Insurance Contracts: Applying IFRS 9 with IFRS 4 Insurance Contracts (Amendments)
IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
IAS 40	Investment Property: Transfers of Investment Property (Amendments)
IFRIC 22	Foreign Currency Transactions and Advance Consideration

Improvements to accounting standards issued by IASB in December 2016

The adoption of the above standards, interpretations and improvement to standards did not have any material effect on the condensed interim financial statements, except for IFRS 9 Financial Instruments. The revised accounting policy adopted by the management is as follows

IFRS 9 - Financial Instruments

IFRS 9 'Financial Instruments' has replaced IAS 39 'Financial Instruments: Recognition and Measurement' for annual periods beginning on or after 1 July 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The Company has applied IFRS 9 retrospectively, with the initial application date of 1 July 2018 as notified by the Securities and Exchange Commission of Pakistan (SECP).

The Company's financial assets mainly include long-term investment, long-term loan to subsidiaries, long-term deposits, interest accrued, receivables against rent from tenants, advances, due from a related party, short-term investments and bank balances held with commercial banks.

The adoption of IFRS 9 has changed the accounting for impairment losses for financial assets by replacing the incurred losses model approach with a forward looking expected credit loss (ECL) approach. Expected Credit Loss (ECL) are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

Considering the nature of the operations and financial assets on the statement of financial position of the Company, the management believes that there will be no significant ECL charge on the financial assets of the Company.

	March 31 2019	June 30 2018
	(Unaudited)	(Audited)
	(Rupees)	
5 PROPERTY, PLANT AND EQUIPMENT		
The movement in property, plant and equipment during the period / year are as follows:		
Opening balance	387,103,277	370,820,634
Add: Additions during the period	11,326,578	55,553,699
Less: Disposals during the period / year	-	(40,000)
	398,429,855	426,334,333
Less: Depreciation Charge for the period	(31,570,048)	(39,261,056)
Add: Accumulated Depreciation of Disposals for the period / year	-	30,000
Operating fixed assets (WDV)	366,859,807	387,103,277
Additions / Disposals during the period		
Furniture	-	17,562,915
IT equipment and Computer accessories	1,226,375	1,534,833
Electrical Equipments	7,103,837	31,476,870
Power Generation Unit	-	2,215,597
Gym Equipment	2,996,366	2,763,484
	11,326,578	55,553,699

6 INTANGIBLE ASSETS

Represents advance against purchase of computer software amounting to Rs. 1,137,632/- (2018: 1,250,649).

	March 31 2019	June 30 2018
	(Unaudited)	(Audited)
	(Rupees)	
7 INVESTMENT PROPERTY		
Investment property	6,578,933,434	6,165,361,363
Capital work-in-progress	28,708,527	24,273,666
	6,607,641,961	6,189,635,029

7.1 The movement in investment property during the year is as follows:

As at July 01	6,165,361,363	4,967,683,819
Additions	621,681	16,868,937
	6,165,983,044	4,984,552,756
Gain from fair value adjustment	412,950,390	1,180,808,607
Closing Balance	6,578,933,434	6,165,361,363

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

The movement in capital work-in-progress during the year is as follows:

	March 31 2019	June 30 2018
	(Unaudited)	(Audited)
	(Rupees)	
As at July 01	24,273,666	8,190,703
Additions during the year	4,434,861	16,082,963
Closing Balance	28,708,527	24,273,666

8 DEVELOPMENT PROPERTIES

Represents project under construction at Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi. The project is currently in the initial design stages of the project with construction due to commence after approval of design.

	March 31 2019	June 30 2018
	(Unaudited)	(Audited)
	(Rupees)	
Land	801,225,879	801,225,879
Design and consultancy	120,730,826	120,730,826
Project management and ancillary costs	113,671,817	113,671,817
Other project costs	178,292,681	52,636,338
	1,213,921,203	1,088,264,860

9 LONG-TERM DEPOSITS – unsecured, considered good

Security deposits		
- Total PARCO Pakistan Limited	2,500,000	2,500,000
- Central Depository Company of Pakistan Limited	200,000	200,000
- City District Government Karachi	86,919	86,919
	2,786,919	2,786,919

10 DEFERRED TAX ASSET

Deferred tax assets on deductible temporary differences:		
- Unused tax losses	152,905,734	152,905,734
Deferred tax liability on taxable temporary differences:		
- Property, plant and equipment – owned and leased	(38,880,870)	(38,880,870)
- Advance against rent from tenants (net of receivables)	(20,459,089)	(27,567,486)
	(59,339,959)	(66,448,356)
	93,565,775	86,457,378

11 RECEIVABLE AGAINST RENT, MAINTENANCE AND OTHER SERVICES - unsecured, considered good

Receivables against rent		
Related parties		
TPL Trakker Limited		31,147,335
- an associated company	-	-
TPL Insurance Limited	5,083,329	-
	5,083,329	31,147,335
Others	-	14,272,037
	5,083,329	45,419,372

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 - (UN-AUDITED)

	Note	March 31 2019 (Unaudited)	June 30 2018 (Audited)
(Rupees)			
Receivables against maintenance			
Related party:			
TPL Trakker Limited		8,596,074	13,130,024
Others		2,689,858	4,127,212
		11,285,932	17,257,236
Receivables against electricity and air conditioning services			
Related parties:			
TPL Trakker Limited		18,438,220	44,569,919
TPL Insurance Limited – an associate		2,827,744	775,170
		21,265,964	45,345,088
Others		14,522,244	13,924,687
		35,788,208	59,269,775
Receivables against others and water supply services			
Related parties:			
TPL Trakker Limited		1,748,883	3,036,146
TPL Insurance Limited – an associate		776,011	124,555
TPL Life		-	10,170
		2,524,894	3,170,871
Others		2,586,170	2,169,155
		5,111,064	5,340,026
Receivables against IT services			
Related party			
TPL Trakker Limited		12,186,092	26,419,400
		69,454,625	153,705,809

12 ADVANCES AND PREPAYMENTS

Advances – unsecured, considered good			
Suppliers and contractors	12.1	67,807,440	44,546,515
Employees		694,207	464,713
Others		12,502	12,502
		68,514,149	45,023,730
Prepayments			
Insurance		1,814,970	4,757,681
		70,329,119	49,781,411

12.1 These advances are non-interest bearing and generally on an average term of 1 to 12 months.

	Note	March 31 2019 (Unaudited)	June 30 2018 (Audited)
(Rupees)			
13 DUE FROM RELATED PARTIES – unsecured, considered good			
TPL Holdings (Private) Limited - Ultimate Parent Company		242,687	74,100
TPL Life Insurance - an associated company		1,668,876	1,212,986
	13.1	1,911,563	1,287,086

13.1 Represents expenses incurred on behalf of companies, which is receivable on demand.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 - (UN-AUDITED)

	Note	March 31 2019 (Unaudited)	June 30 2018 (Audited)
(Rupees)			
14	SHORT-TERM INVESTMENTS		
	Short Term Investment	35,010,000	100,000,000
15	CASH AND BANK BALANCES		
	Cash in hand	249,244	205,761
	Cash at banks in local currency current accounts	19,702,603	74,549,483
	savings accounts	483,110,640	484,031,350
		15.1	
		503,062,487	558,786,594

15.1 Included herein a cash deposit of Rs. 16.854 million under lien and Rs. 228 million placed with a commercial bank.

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

MARCH 31 2019 (Unaudited)	June 30 2018 (Audited)		MARCH 31 2019 (Unaudited)	June 30 2018 (Audited)
— (No. of shares) —			(Rupees)	
175,920,448	175,920,448	Ordinary shares of Rs.10/- each	1,759,204,480	1,759,204,480
151,472,658	97,590,919	- Issued for cash consideration	1,514,726,583	975,909,190
		- Issued for consideration other than cash		
327,393,106	273,511,367		3,273,931,063	2,735,113,670

17 LONG-TERM FINANCING

	Note	March 31 2019 (Unaudited)	June 30 2018 (Audited)
(Rupees)			
Facility 1	17.1	2,105,854,914	2,145,651,829
Facility 2	17.2	187,249,222	242,249,222
		2,293,104,136	2,387,901,051
Less : Current maturity		(165,000,000)	(99,000,000)
		2,128,104,136	2,288,901,051

17.1 The Group entered into an agreement with a commercial bank, dated March 14, 2018, for the issuance of redeemable capital in the amount of Rs. 3.5 billion in the form of Term Finance Certificates (TFCs) of the face value of Rs. 5,000/- each. Out of the total proposed issuance, the TFCs issued, during the previous year, and TFCs proposed to be issued, are detailed as follows:

- Sum equal to Rs. 2,200,000,000 as a first tranche (Series A TFC Issue) comprising of 440,000 TFCs, issued during the previous year for the purpose of prepaying the outstanding Musharaka Facility in the amount of Rs. 1,796,000,000 availed by the Group; and for financing construction project of HKC. The amount received against issuance of Series A TFCs is repayable in semi-annual installments for a period of 10 years at the rate of 6 months KIBOR plus 125 basis points. This facility has been fully drawn during the previous year and has been secured against the following:
 - First pari pasu charge on present and future fixed assets (plant, machinery, fixtures and fittings, etc.)
 - First pari pasu charge over land and building with 25% margin.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 - (UN-AUDITED)

- Assignment over rental agreements.
- sum equal to Rs. 1,300,000,000 as a second tranche (Series B TFC Issue), proposed to be issued for the purpose of making an equity investment upcoming new project/development.

17.2 During the previous year, the Group obtained a Musharika finance facility aggregating Rs. 275 million from a bank for a period of upto 6.3 years. The loan carries markup at the rate of 6 months KIBOR plus 2 percent per annum payable semi-annually in arrears and is repayable in 10 equal semi-annual installments of Rs. 27.5 million each latest by September 16, 2022. This facility is secured against parri passu charge on present and future plant and machinery, assignment over maintenance agreements, personal guarantee of a director and equitable mortgage over land and building.

	Note	March 31 2019 (Unaudited)	June 30 2018 (Audited)
(Rupees)			
18 TRADE AND OTHER PAYABLES			
Creditors		43,712,925	49,267,637
Accrued expenses		10,061,206	16,149,910
Payable to contractors		14,280,457	36,545,788
Retention money		5,809,251	8,762,007
Sales tax payable		3,224,189	2,770,346
Workers' Welfare Fund (WWF)		9,290,946	9,290,946
Payable to employees		401,202	401,202
Withholding income tax payable		2,717,390	1,633,549
Others		898,750	898,750
	18.1	90,396,315	125,720,135

18.1 These payables are non-interest bearing and generally on an average term of 1 to 12 months.

19 DUE TO RELATED PARTIES - unsecured

TPL Insurance Limited - an associated company		6,097,824	2,472,620
TPL Trakker Limited - an associated company		486,098	5,496,316
TPL Security Services (Private) Limited		-	462,000
		6,583,922	8,430,936

20 ACCRUED MARK-UP

Accrued mark-up on:

Long-term financing	17	12,519,985	55,932,382
Due to related parties:			
- TPL Holdings (Private) Limited - the ultimate parent company		18,333	18,333
- TPL Trakker Limited		220,702	
		239,035	18,333
Short term borrowings - secured	21	766,507	7,602,411
		13,525,527	63,553,126

21 SHORT TERM BORROWINGS - secured

During the year, the Group has entered into a Musharakah (Shirkat-ul-Milk) agreement with an Islamic bank for an amount of Rs. 400,000,000 which is repayable through quarterly payments at the rate of 2.5% plus 6 months KIBOR. The said periodic payments are secured against equitable interest over the Centrepont Project.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 - (UN-AUDITED)

22	ADVANCES AGAINST RENT FROM TENANTS - Unsecured	March 31	June 30
		2019	2018
		(Unaudited)	(Audited)
Advances against rent		(Rupees)	
	TPL Trakker Ltd	8,740,648	-
	TPL Insurance Limited – an associated company	-	1,750,301
	Others	109,583,874	70,060,920
		118,324,522	71,811,221
Advances against maintenance services			
	TPL Insurance Limited	688,905	5,789,972
	Others	51,595,031	34,329,785
		52,283,936	40,119,757
		170,608,458	111,930,978

23 CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies and commitments as reported in the annual financial statements of the company for the year ended June 30, 2018.

24	RENTAL INCOME	For the nine months ended		For the quarter ended	
		March 31	March 31	March 31	March 31
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
		(Rupees)		(Rupees)	
	Related parties:				
	TPL Trakker Limited	31,443,170	31,443,170.34	10,481,056	10,481,056
	- an associated company				
	TPL Insurance Limited	34,067,403	34,067,403	11,355,801	11,355,801
	- an associated company				
		65,510,573	65,510,573	21,836,857	21,836,857
	Others	222,618,302	209,252,251	77,718,894	69,750,751
		288,128,875	274,762,824	99,555,751	91,587,608
Revenue from maintenance and services					
	Related parties				
	TPL Trakker Limited	6,091,774	5,537,948	2,030,612	1845982.86
	- an associated company				
	TPL Insurance Limited	6,200,180	5,636,498	2,066,748	1,878,833
	- an associated company				
		12,291,954	11,174,445	4,097,360	3,724,815
	Others	44,587,937	40,418,963	15,520,652	14,071,575
		56,879,891	51,593,409	19,618,012	17,796,390
Revenue from electricity and air conditioning services					
	Related parties				
	TPL Trakker Limited	13,819,726	16,967,622	4,471,801	5,066,657
	- an associated company				
	TPL Insurance Limited	5,690,692	5,546,140	1,692,923	1,662,515
	- an associated company				
		19,510,418	22,513,762	6,164,724	6,729,172
	Others	49,338,382	46,212,474	14,573,686	13,548,651
		68,848,800	68,726,236	20,738,410	20,277,823
	Revenue from IT services				
	TPL Trakker Limited	18,051,178	16,334,935	6,025,226	5,444,979
		431,908,744	411,417,403	145,937,399	135,106,800

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 - (UN-AUDITED)

	For the nine months ended		For the quarter ended	
	March 31 2019 (Un-audited)	March 31 2018 (Un-audited)	March 31 2019 (Un-audited)	March 31 2018 (Un-audited)
25 OTHER INCOME	(Rupees)		(Rupees)	
Income from financial assets				
Markup on:				
- Long-term loans to subsidiaries	-	73,629	-	73,629
- on saving accounts	21,080,190	16,423,669	4,010,153	3,519,967
	21,080,190	16,497,298	4,010,153	3,593,596
Income from non-financial assets				
Fair value gain on investment property	412,950,390	819,783,182	-	-
Income from ancillary services	44,028	-	(740,495)	(1,470,907)
Gain on sale of Shares	5,583,720	-	-	-
Others	1,226,679	2,338,561	1,226,679	2,338,561
	419,804,817	822,121,743	486,184	867,654
	440,885,007	838,619,041	4,496,337	4,461,250
26 TAXATION				
Current	29,411,677	24,681,947	8,564,423	3,314,568
Prior	-	547,800	-	-
Deferred	(7,108,397)	(3,912,029)	-	726,669
	22,303,280	21,317,719	8,564,423	4,041,238

27 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Group comprise of the ultimate parent Group, parent Group, subsidiaries, associated companies, major shareholders, suppliers, directors, key management personnel and staff retirement benefit fund. The Group has a policy whereby transactions with related parties are entered into at arm's length basis. The transactions with related parties other than those disclosed elsewhere in the interim financial statements are as follows:

	March 31 2019 (Unaudited)	March 31 2018 (Unaudited)
	(Rupees)	
The Ultimate Parent Company		
TPL Holdings (Private) Limited [THL]		
Mark-up for the year on current account given to Holding Company	-	9,340
TPL Corp Limited [TCL]		
Payment made by the Company	-	2,730,000
Mark-up on current account	-	73,628
The Parent Company		
TPL Trakker Limited [TTL]		
Amount received from TTL by the Holding Company	-	20,000,000
Payment made to TTL by the Holding Company on account of accrued mark-up	-	1,779,665
Payment made by the Company	17,000,000	72,627,136
Mark-up for the year on current account given to the Holding Co.	204,951	1,762,303

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2019 - (UN-AUDITED)

	March 31 2019 (Unaudited)	March 31 2018 (Unaudited)
	(Rupees)	
Expenses incurred / paid by TTL on behalf of the Holding Company	15,041,610	40,915,430
Services rendered by Holding company	31,443,170	31,443,170
Services rendered by CMS	35,020,814	40,273,312
Common Directorship		
TPL Insurance Limited		
Expenses incurred / paid by TIL on behalf of the Company	3,625,204	724,666
Adjustments of receivable for rent from TTL by the company against:	-	-
- due to related parties balance of TTL	4,474,028	-
Services rendered by Holding company	30,282,136	34,067,403
Services rendered by CMS	11,754,542	12,373,430
Amount received against maintenance and other services by the Company	4,231,482	15,562,203
TPL Security Services (Pvt) Limited [TSS]		
Amount paid against services	-	8,465,297
Services received by CMS	7,101,600	7,323,800
1508 London		
Amount paid against services	-	-
Services received by HKC Limited (GBP 145,000)	22,304,229	-
Staff retirement benefit fund		
Group – Provident fund		
Employer contribution	1,861,098	1,275,578

28 DATE OF AUTHORIZATION OF ISSUE

These consolidated financial statements were authorised for issue on 22nd April 2019 by the Board of Directors of the Group.

29 GENERAL

29.1 Certain prior year's figures have been rearranged for better presentation, wherever necessary. However, there are no material reclassification to report except for classification of development properties to non-current assets from current assets.

29.2 Figures have been rounded off to the nearest rupee, unless otherwise stated.


Chief Executive


Chief Financial Officer


Director

Page is left blank intentionally

Page is left blank intentionally

CORPORATE OFFICE

12th Floor, Centrepoint, Off Shaheed-e-Millat Expressway,

Adjacent KPT Interchange, Karachi - 74900

Phone: (+92)-21-34390300 EXT: 50006

Email: info@tplproperty.com,

Website: www.tplproperty.com

