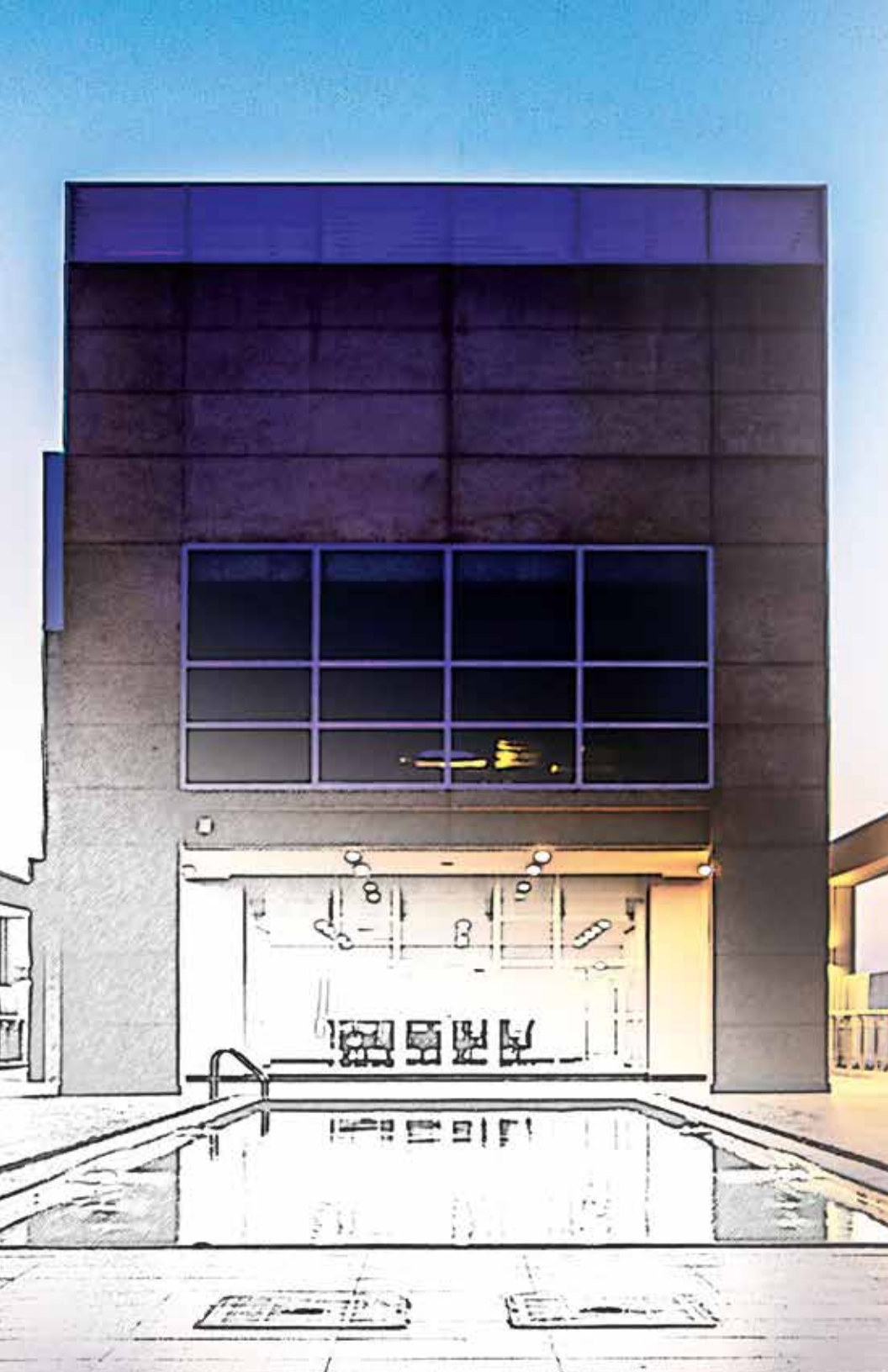


Progress through Innovation



HALF YEARLY
REPORT
DECEMBER **2017**



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VISION

To be region's premier property developer, 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.) | Chairman |
| Ali Jameel | Director |
| Vice Admiral (Retd.) Muhammad Shafi HI(M) | Director |
| Ziad Bashir | Director |
| Siraj Dadabhoy | Director |
| Maj. Gen. (Retd.) Zafar-ul-Hasan Naqvi | Director |
| Fawad Anwar | Director |
| Bilal Alibhai | Director |

LEGAL ADVISOR

Mohsin Tayebaly & Co.

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

CHIEF EXECUTIVE OFFICER

Ali Jameel

CHIEF FINANCIAL OFFICER

Aun Ali Sayani

COMPANY SECRETARY

Danish Qazi

AUDIT COMMITTEE

| | |
|--|-----------|
| Ziad Bashir | Chairman |
| Siraj Dadabhoy | Member |
| Vice Admiral (Retd.) Muhammad Shafi HI(M) | Member |
| Yousuf Zohaib Ali | Secretary |

HUMAN RESOURCE & REMUNERATION COMMITTEE

| | |
|---|-----------|
| Maj. Gen. (Retd.) Zafar-ul-Hasan Naqvi | Chairman |
| Fawad Anwar | Member |
| Ali Jameel | Member |
| Nader Nawaz | Secretary |

AUDITORS

EY Ford Rhodes
Chartered Accountants

SHARE REGISTRAR

THK Associates
1st Floor, 40-C, Block-6,
P.E.C.H.S., Karachi 75530,
Pakistan.
Phone: +92 (21) 111-000-322
UAN: 111-000-322
Fax: +92 (021) 34168271
Email: secretariat@thk.com.pk

REGISTERED OFFICE

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

WEB PRESENCE

www.tpl-property.com

DIRECTORS REPORT

DIRECTORS' REPORT

The Directors are pleased to present the unaudited condensed interim financial information for the period ended December 31, 2017 and a brief review of the Company's operations.

ECONOMIC OUTLOOK

This year, the economy will continue to benefit from investment, mostly related to the China-Pakistan Economic Corridor. GDP is expected to grow 5.0% in FY 2018, unchanged from last month's estimate, and 5.1% in FY 2019.

Rising investment, improved security conditions and strong credit growth are shoring up economic activity in FY 2018, which ends on 30 June 2018. Moreover, agricultural output is recovering due to a return to more normal monsoon rains. That said, sustaining domestic activity is propelling import growth, causing the current account deficit to deteriorate sharply.

The real estate sector in Pakistan is an important sector of the economy. Pakistan spends about \$5.2 billion on construction annually and construction output accounts for 2 percent of GDP. Over the past few years, a bullish trend is observed in overall real estate prices. The trend observed a one-time price-hike in 2016, subsequent to the introduction of the property amnesty. Over the last year, despite crackdown on black money and decreased foreign remittances the developed real estate sectors continued to thrive and showed signs of growth. Whereas the under developed real estate sectors considerably slowed down and poised towards price correction over the last year.

Moving into 2018, market sentiment for Pakistan's Real Estate Sector is expected to be positive for both developed and underdeveloped real estate sectors on the back of improved political stability post-election, completion of various mass transit passenger transport infrastructure project, China-Pakistan Economic Corridor related investment and improved security environment.

STANDALONE PERFORMANCE

Comparisons of the un-audited results of the Company with the corresponding period are given below:

| Particulars | December 31, 2017 | December 31, 2016 |
|------------------------------|-------------------|-------------------|
| Revenue | 183,175,215 | 183,843,766 |
| Gross Profit | 178,461,837 | 178,116,576 |
| Profit before tax | 883,767,397 | 47,906,009 |
| Profit after tax | 867,180,353 | 37,651,129 |
| Number of outstanding shares | 273,511,367 | 208,000,000 |
| Earnings per share – pre tax | 3.23 | 0.23 |
| Earnings per share-post tax | 3.17 | 0.18 |

<https://www.focus-economics.com/countries/pakistan>
<http://www.pakistaneconomist.com>

DIRECTORS REPORT

Revenue and Gross profit remains almost constant between the period under consideration and corresponding period last year at PKR 183 million and PKR 178 million. Administrative and general expenses stand at PKR 35.5 million showing decrease of 23.17% primarily due to allocation of these expenses to property development segment of the business. Other income has shown significant increase due to revaluation gain on investment property to the tune of PKR 819.78 million.

CONSOLIDATED PERFORMANCE

Comparisons of the un-audited results of the Company with the corresponding period are given below:

| Particulars | December 31, 2017 | December 31, 2016 |
|------------------------------|-------------------|-------------------|
| Revenue | 276,310,604 | 280,625,396 |
| Gross Profit | 193,261,683 | 206,561,361 |
| Profit before tax | 865,454,302 | 50,167,157 |
| Profit after tax | 848,177,821 | 29,367,539 |
| Number of outstanding shares | 273,511,367 | 208,000,000 |
| Earnings per share – pre tax | 3.16 | 0.24 |
| Earnings per share-post tax | 3.10 | 0.14 |

Consolidated revenue of the Company showed slight decrease of PKR 4.3 m as compared to the same period last year due to the fact that in the same period last year, Company had done one time upward revision in its maintenance and utilities rate with retrospective effect. Further operational expenses have increased by 12% up from PKR 74 million to PKR 83 million primarily due to inflationary increase. Consequent to revenue and expenses changes, gross profit reduced from Rs. 206 million to Rs. 193 million. As stated earlier other income has shown significant increase due to revaluation gain of investment property of PKR 819.78 million.

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.

COMPANY OUTLOOK

The concept design for TPL Property's pioneering luxury residential project, HKC has been completed in the current reporting period. The project is scheduled to commence Schematic design within the next quarter. Submission of the design package for authority approvals is currently scheduled for the 3rd Quarter 2018.

TPL is concurrently continuing with its land acquisitions for the next high end residential towers, with current negotiations progressing satisfactorily. The international design team remains as per the HKC project, allowing for an accelerated design schedule and faster handover to customers. Concept design is due to start in the upcoming quarter with design completion expected in Q2 2019, subject to authority approvals.

○ DIRECTORS REPORT

○ ACKNOWLEDGEMENT

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.

Karachi: February 22, 2018



Jameel Yusuf (S.St.)
Chairman

ڈائریکٹرز رپورٹ

ڈائریکٹرز رپورٹ

ڈائریکٹرز 31 دسمبر 2017 کو جمع ہونے والے عرصہ کے لیے کمپنی کے امور کی موجودہ غیر آڈٹ شدہ تجدیدوری مالیاتی معلومات اور اس کا مختصر جائزہ پیش کرتے ہوئے مسرت ہیں۔

اقتصادی جائزہ

جاری سال میں بھی سرمایہ کاری کے فوائد سے اقتصادیات میں بہتری کی امید ہے جو کہ جائیداد پاکستان اکنامک کوریڈور کی مرہون منت ہے۔ گزشتہ مہینے کے تخمینے کے تین مطابق مالیاتی سال 2018 میں ڈی ڈی پی میں 5.0 فیصد اضافے کا امکان ہے جبکہ مالیاتی سال 2019 میں شرح 5.1 فیصد رہے گی۔

ملک بڑھتی ہوئی سرمایہ کاری، امن کی بہتر صورت حال اور شاندار کریڈٹ گروتھ کے سبب 30 جون 2018 کو جمع ہونے والے مالیاتی سال میں اقتصادی صورت حال میں تیزی دیکھنے میں آئے گی۔ مزید برآں بروقت مومن مومن بارشوں کی بدولت زرعی شعبے کی پیداوار میں بھی بہتری آئے گی۔ نتیجتاً مستحکم ہونے والی مقامی مرکز مومنوں سے درآمدات میں تیزی کے سبب موجودہ کرنٹ اکاؤنٹ خسارے پر بھی قابو پانے میں مدد ملے گی۔

پاکستان میں رینٹل انٹیٹیٹ کا شعبہ ملکی معیشت کا اہم جز ہے۔ پاکستان میں تعمیرات پر سالانہ 5.2 بلین امریکی ڈالر خرچ کئے جاتے ہیں تعمیرات نے مختصر طور پر مجموعی GDP میں تقریباً 2% کا اضافہ کیا۔ گزشتہ چھ مہینوں کے دوران رینٹل انٹیٹیٹ کی قیمتوں میں بہت تیزی دیکھنے میں آئی۔ پراپرٹی انیسٹیٹیٹ کے پیش نظر 2016 میں پراپرٹی کی قیمتوں میں ایک دم تیزی دیکھنے میں آئی۔ گزشتہ سال میں بھی کالے چمن کے خلاف مہم اور کم ہوتی بیرونی ترسیلات زر کے باوجود رینٹل انٹیٹیٹ کے مستحکم شعبوں نے ترقی کی اور تیزی کی کارخانہ جاری ہے۔ دوسری جانب زرعی تعمیرات رینٹل انٹیٹیٹ سیکٹرز میں مندی رہی اور انہیں گزشتہ سال کے مقابلے میں قیمتوں کے استحکام کی فکر لاحق ہے۔

2018 میں پاکستان کے رینٹل انٹیٹیٹ کے مستحکم اور غیر مستحکم شعبہ جات میں مثبت پیش رفت کا امکان ہے کیونکہ انیسٹیٹیٹ سے پہلے کا استحکام کی پوزیشن سے پوزیشن کی تعمیر کے تعمیل منصوبے، جائیداد پاکستان اقتصادی راہداری سے متعلق سرمایہ کاری اور پراسن صورت حال اس بات کی تائید کر رہے ہیں۔

انفرادی کارکردگی

کمپنی کے غیر آڈٹ شدہ نتائج کا موجودہ مدت کے ساتھ تجزیاتی جائزہ درج ذیل ہے:

| کوائف | 31 دسمبر 2017 | 31 دسمبر 2016 |
|---|---------------|---------------|
| کرلیہ اداری کی آمدن | 183,175,215 | 183,843,766 |
| مجموعی نفع | 178,461,837 | 178,116,576 |
| نفع قبل از محصول | 883,767,397 | 47,906,009 |
| نفع بعد از محصول | 867,180,353 | 37,651,129 |
| واجب الا محصول کی تعداد اور وسط اضافی وزن | 273,511,367 | 208,000,000 |
| آمدن فی حصص - قبل از محصول | 3.23 | 0.23 |
| آمدن فی حصص - بعد از محصول | 3.17 | 0.18 |

زیر جائزہ عرصہ گزشتہ سال کے متعلقہ دورانیہ میں آمدنی اور مجموعی منافع 18 ملین روپے پر مستحکم رہا۔ انتظامی اور عمومی اخراجات کا دوبارے کارپوریٹ ڈیویڈنڈ کے شعبے میں تخصیص کی بدولت 23.17 فیصد کی واضح کمی سے 35.5 ملین روپے رہے۔ دوسری جانب تعمیراتی سرمایہ کاری میں قابل قدر اضافے سے دیگر آمدنی میں بھی 819.78 ملین روپے اضافہ واقع ہوا۔

کھنی کے غیر آڈٹ شدہ نتائج کا موجودہ مدت کے ساتھ تجزیاتی جائزہ درج ذیل ہے:

| کوائف | 31 دسمبر 2017 | 31 دسمبر 2016 |
|--|---------------|---------------|
| آمدن | 276,310,604 | 280,625,396 |
| مجموعی نفع | 193,261,683 | 206,561,361 |
| نفع قبل از وصول | 865,454,302 | 50,167,157 |
| نفع بعد از وصول | 848,177,821 | 29,367,539 |
| واجب الادا حصص کی تعداد - اوسط اضافی وزن | 273,511,367 | 208,000,000 |
| آمدن / (نقصان) فی حصص قبل از وصول | 3.16 | 0.24 |
| آمدن / (نقصان) فی حصص - بعد از وصول | 3.10 | 0.14 |

کھنی کی مجموعی آمدنی میں گزشتہ سال کے اسی عرصہ کے مقابلے میں 3.4 بلین روپے کی تھوڑی سی کمی دیکھنے میں آئی اس کی وجہ یوٹیلیٹی اور مرضی اخراجات میں ہونے والے اضافہ ہے۔ مزید برآں بنیادی طور پر برہنگائی کے سبب انتظامی اخراجات میں بھی 12 فیصد اضافہ کے سبب 74 بلین روپے کے مقابلے میں 83 بلین روپے خرچ ہوئے۔ جس کے نتیجے میں مجموعی منافع 206 بلین روپے کے آگے 193 بلین روپے ہو گیا۔ جیسا کہ اوپر بتایا ہے کہ تعمیراتی سرمایہ کاری میں قیمتوں کے دوبارہ تعین سے 819.7 بلین روپے کی قابل قدر ترقی حاصل کی گئی۔

کرڈٹ ریٹنگ

پاکستان کرڈٹ ریٹنگ ایجنسی (PACRA) نے TPL پراپرٹیز لمیٹڈ (TPL) کی طویل المدت اور قلیل المدت ادارتی ریٹنگز مستحکم صورتحال کے ساتھ A+ (سنگل ایسٹس) اور A1 (ایس وان) برقرار رکھی ہے۔ یہ ریٹنگوں بالیائی وعدوں کی بروقت ادائیگی کے حوالے سے ادارے کی مستحکم اہلیت سے اجازت والے کرڈٹ رسک میں کمی کی توقعات کی عکاس ہیں۔

کھنی کی صورتحال

جائزہ عرصہ کے دوران ٹی ایل پراپرٹیز کی گزشتہ رہائشی پروڈیکٹ کے لیے جدید ڈیزائن کی تکمیل ہو چکی ہے۔ آئندہ سرمایہ کے دوران پروڈیکٹ کا ماڈل تیار ہوجانے کی امید کی جارہی ہے۔ ڈیزائن کی تکمیل کے انتظامیہ سے منظور شدہ 2018 کی تیسری سرمایہ کے دوران ہوجانے کا امکان ہے۔

دیگر بنیادی گزشتہ رہائشی کمانڈوں کے لیے مالکان کے ساتھ زمین کے حصول پر گفت و شنیدی کا عمل قابل اطمینان رہا ہے۔ انٹرفیکس ڈیزائن ٹیم HKC پروڈیکٹ کی طرح موجود ہے تاکہ ڈیزائن کے شیڈول میں تیزی سے سرمایہ کاروں کو بروقت فراہمی ممکن ہو۔ صورتحالی ڈیزائن پر کام آئندہ سرمایہ میں شروع ہونا ہے اور 2019 کی دوسری سرمایہ تک انتظامی منظور یوں سے مکمل ہونے کا امکان ہے۔

اظہار تشکر

اپنے کام کو احسن انداز میں مکمل کرنا ہمارے لئے ممکن ہوتا ہے ہمارے پیشروانہ احساس ذمہ داری سے، تخلیقی صلاحیتوں کے اظہار سے، ہمارے مربوط نظام سے اور مسلسل بہتری فیئر منجمنٹ ترقی کے لیے تمام ذرائع کے موثر استعمال کی وجہ سے۔ ہم مختلف سطحوں پر کھنی کے ملازمین کی جانب سے ادا کئے جانے والے کردار اور ان کی خدمات کو پھر پرامداز میں سراہتے ہیں۔ سب سے بڑھ کر ہم اپنے سرمایہ کاروں، سرمایہ داروں، بینکرز، ریگولیٹرز اور ایگزیکٹو کمیٹیوں آف پاکستان اور پاکستان اسٹاک ایکسچینج کی جانب سے فراہم کی جانے والی مسلسل معاونت اور مدد کے لئے ان سے اظہار تشکر کرتے ہیں۔

جمیل یوسف (ایس ایس ٹی)
چیئر مین

کراچی، 22 فروری، 2018

نوٹ: اس رپورٹ کی تشریح اور تفصیل کے لئے ایسا بلے کی صورت میں انگریزی رپورٹ کو حتمی حیثیت حاصل ہوگی۔

Auditors' report to the members on review of interim financial information

Introduction

We have reviewed the accompanying condensed interim balance sheet of TPL Properties Limited (the Company) as at 31 December 2017, the related condensed interim profit and loss account, condensed interim cash flow statement, and condensed interim statement of changes in equity and notes to the accounts for the six month period then ended (here-in-after referred to as "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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



Chartered Accountants
Review Engagement Partner: Arif Nazeer
Karachi
Date: 22 February 2018

UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET


AS AT DECEMBER 31, 2017 - (UN-AUDITED)

| ASSETS | Note | December' 31 2017 | June' 30 2017 |
|---|-------------|------------------------------|--------------------------|
| | | (Un-audited) | (Audited) |
| | | (Rupees) | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | | 5,832,890 | 6,736,214 |
| Investment properties | 6 | 5,803,751,097 | 4,975,874,522 |
| Long-term investment | | 1,150,315,390 | 1,150,315,390 |
| Long-term loan | 7 | 130,100,910 | 47,619,214 |
| Interest accrued | | 46,327,926 | 51,008,311 |
| Long-term deposits | | 186,919 | 186,919 |
| | | 7,136,515,132 | 6,231,740,570 |
| CURRENT ASSETS | | | |
| Receivables against rent from tenants | 8 | 58,934,737 | 26,555,792 |
| Advances and prepayments | | 31,573,625 | 11,126,083 |
| Due from a related party | 9 | 85,055,689 | 9,131,238 |
| Taxation – net | | 97,107,473 | 94,021,444 |
| Short-term deposit | 10 | 100,000,000 | - |
| Cash and bank balances | | 363,078,239 | 344,332,622 |
| | | 735,749,763 | 485,167,179 |
| TOTAL ASSETS | | 7,872,264,895 | 6,716,907,749 |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL | | | |
| Authorised capital | | | |
| | | 3,000,000,000 | 3,000,000,000 |
| Issued, subscribed and paid-up capital | | | |
| Issued, subscribed and paid-up capital | | 2,735,113,670 | 2,735,113,670 |
| Share premium account | | 560,563,555 | 560,563,555 |
| Accumulated profit | | 2,194,691,764 | 1,327,511,411 |
| | | 5,490,368,989 | 4,623,188,636 |
| NON-CURRENT LIABILITIES | | | |
| Long-term financing | | 1,547,808,376 | 1,660,693,975 |
| Deferred tax liability | | 35,327,305 | 38,236,796 |
| | | 1,583,135,681 | 1,698,930,771 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | | 54,695,155 | 73,507,902 |
| Due to related parties | 11 | 5,962,685 | 11,912,538 |
| Accrued mark-up | | 52,494,650 | 44,760,103 |
| Short-term borrowings | 12 | 400,000,000 | - |
| Current portion of long-term financing | | 231,000,000 | 204,750,000 |
| Advances against rent from tenants | 13 | 54,607,735 | 59,857,799 |
| | | 798,760,225 | 394,788,342 |
| CONTINGENCIES AND COMMITMENTS | 14 | | |
| TOTAL EQUITY AND LIABILITIES | | 7,872,264,895 | 6,716,907,749 |

The annexed notes from 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Chief Financial Officer


Director

UNCONSOLIDATED CONDENSED INTERIM PROFIT & LOSS ACCOUNT

FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

| Note | For the half year ended | | For the quarter ended | | |
|---|-------------------------|----------------------|-----------------------|----------------------|-------------------|
| | December' 31 2017 | December' 31 2016 | December' 31 2017 | December' 31 2016 | |
| | (Un-audited) | (Un-audited) | (Un-audited) | (Un-audited) | |
| Rental income | 15 | 183,175,215 | 183,843,765 | 91,587,609 | 91,921,884 |
| Direct operating costs | | (4,713,378) | (5,727,190) | (2,600,318) | (3,584,079) |
| Gross profit | | 178,461,837 | 178,116,575 | 88,987,291 | 88,337,805 |
| Administrative and general expenses | | (35,508,320) | (46,218,964) | (1,007,821) | (27,911,331) |
| Finance costs | | (95,399,441) | (94,513,077) | (48,409,988) | (47,268,902) |
| Other income | 16 | 836,213,321 | 10,521,473 | 828,084,948 | 5,225,969 |
| Profit before taxation | | 883,767,397 | 47,906,007 | 867,654,430 | 18,383,541 |
| Taxation | 17 | (16,587,044) | (10,254,879) | (9,577,690) | (2,289,728) |
| Profit for the period | | 867,180,353 | 37,651,128 | 858,076,740 | 16,093,813 |
| Other comprehensive income for the period, net of tax | | - | - | - | - |
| Total comprehensive income for the period | | 867,180,353 | 37,651,128 | 858,076,740 | 16,093,813 |
| Earnings per share – basic | | 3.17 | 0.18 | 3.14 | 0.07 |

The annexed notes from 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Chief Financial Officer



Director

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT


FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

| Note | For the half year ended | |
|---|-------------------------|---------------|
| | December' 31 | December' 31 |
| | 2017 | 2016 |
| | (Rupees) | |
| | (Un-audited) | (Un-audited) |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 883,767,397 | 47,906,007 |
| Adjustments for non-cash items | | |
| Depreciation | 1,153,422 | 956,074 |
| Loss on disposal of fixed assets | 10,000 | - |
| Finance costs | 95,399,441 | 94,513,077 |
| Profit on savings account | (12,792,024) | (4,033,215) |
| Markup on long-term loan | 4,680,385 | (5,988,258) |
| Fair value gain on investment property | (819,783,182) | - |
| | (731,331,958) | 85,447,678 |
| Working capital changes | | |
| (Increase) / decrease in current assets | | |
| Receivables against rent from tenants | (32,378,945) | 2,286,568 |
| Advances and prepayments | (20,447,542) | (65,656,291) |
| Due from a related party | (75,924,451) | - |
| Short-term deposits | (100,000,000) | - |
| | (228,750,938) | (63,369,723) |
| Decrease in current liabilities | | |
| Trade and other payables | (17,975,188) | (19,616,813) |
| Advances against rent from tenants | (5,250,064) | (53,537,386) |
| | (23,225,252) | (73,154,199) |
| Cash used in operations | (99,540,751) | (3,170,237) |
| Finance costs paid | (74,776,553) | - |
| Mark-up on savings account received | 12,792,025 | 4,033,215 |
| Income taxes paid | (23,420,123) | 21,643,018 |
| Net cash (used in) / generated from operating activities | (184,945,402) | 22,505,996 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property plant and equipment | (260,098) | (2,684,649) |
| Expenditure incurred on investment property 6.1 | (5,245,905) | (9,550,395) |
| Additions to capital work-in-progress | (2,847,488) | (4,324,863) |
| Long-term loan – net | (82,481,696) | 8,280,932 |
| Net cash used in investing activities | (90,835,187) | (8,278,975) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long-term financing – net | (99,523,940) | (246,552,767) |
| Short-term borrowing obtained 12 | 400,000,000 | (200,000,000) |
| Due to related parties – net | (5,949,854) | (146,352,689) |
| Net cash generated from / (used in) financing activities | 294,526,206 | (592,905,456) |
| Net increase / (decrease) in cash and cash equivalents | 18,745,617 | (578,678,435) |
| Cash and cash equivalents at the beginning of the period | 344,332,622 | 850,576,013 |
| Cash and cash equivalents at the end of the period | 363,078,239 | 271,897,578 |

The annexed notes from 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Chief Financial Officer


Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

| | Share Capital | Share premium | Accumulated Profit | Total |
|---|---------------|---------------|--------------------|---------------|
| | (Rupees) | | | |
| Balance at July 01, 2016 (Audited) | 2,080,000,000 | 140,497,151 | 975,533,853 | 3,196,031,004 |
| Profit for the period | - | - | 37,651,128 | 37,651,128 |
| Other comprehensive income for the period, net of tax | - | - | - | - |
| Total comprehensive income for the period | - | - | 37,651,128 | 37,651,128 |
| Balance at December 31, 2016 (Un-audited) | 2,080,000,000 | 140,497,151 | 1,013,184,981 | 3,233,682,132 |
| Balance at July 01, 2017 (Audited) | 2,735,113,670 | 560,563,555 | 1,327,511,411 | 4,623,188,636 |
| Profit for the period | - | - | 867,180,353 | 867,180,353 |
| Other comprehensive income for the period, net of tax | - | - | - | - |
| Total comprehensive income for the period | - | - | 867,180,353 | 867,180,353 |
| Balance at December 31, 2017 (Un-audited) | 2,735,113,670 | 560,563,555 | 2,194,691,764 | 5,490,368,989 |

The annexed notes from 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Chief Financial Officer



Director



NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 (UN-AUDITED)

1. LEGAL STATUS AND OPERATIONS

- 1.1. TPL Properties Limited was incorporated in Pakistan as a private limited company on February 14, 2007 under the repealed Companies Ordinance, 1984 (the Ordinance). 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 12th Floor 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 balance sheet date.
- 1.2. These financial statements are the separate financial statements of the Company, in which investment in the subsidiary companies namely Centrepoint Management Services (Private) Limited and HKC Limited have been accounted for at cost less accumulated impairment losses, if any.
- 1.3. During the period, the Scheme of Arrangement (the Scheme) was executed on July 01, 2017 among TPL Corp Limited (formerly TPL Trakker Limited), TPL Maps (Private) Limited, TPL Trakker (Private) Limited (formerly TPL Vehicle Tracking (Private) Limited) and TPL Holdings (Private) Limited. Consequently, the name of the parent company has been changed and the balances as of June 30, 2017 in respect of receivables against rent from tenants and due to related parties amounting to Rs. 27.066 million and Rs. 5.761 million respectively, are transferred to TPL Trakker (Private) Limited (formerly TPL Vehicle Tracking (Private) Limited). Further, TPL Holdings (Private) Limited is required to transfer its shareholding to TPL Corp Limited (formerly TPL Trakker Limited) under the scheme of arrangement. The ultimate parent company will transfer 21.104 million ordinary shares of the Company to the TPL Corp Limited (formerly TPL Trakker Limited) under the Scheme. In this regard, as of December 31, 2017, the legal formalities are underway by the ultimate parent company to transfer the said ordinary shares in the name of TPL Corp Limited (formerly TPL Trakker Limited).

2. STATEMENT OF COMPLIANCE

Effective from May 30, 2017, the Companies Act, 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular No. 23 of 2017 dated October 04, 2017 communicated its decision that the companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the Ordinance. Furthermore, Institute of Chartered Accountants of Pakistan has obtained clarification from SECP regarding the said circular, and explains that this circular also covers interim unconsolidated financial statements of companies for the periods ending on or before December 31, 2017. Accordingly, these condensed interim unconsolidated financial statements have been prepared in accordance with International Accounting Standard - 34 'Interim Financial Reporting' and provisions of and directives issued under the Ordinance. In case where requirement differ, the provision of or directives issued under the Ordinance have been followed.

The Company is currently assessing the full impact of the promulgation of the Act on the financial statements, it is expected that it will result in change in accounting treatments and enhanced disclosures in the financial statements which will be incorporated in the annual unconsolidated financial statements of the Company for the year ended June 30, 2018.

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 245 of the Ordinance. 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, 2017.



NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 (UN-AUDITED)

- 3.2.** The figures of the condensed interim unconsolidated profit and loss account for the quarter ended December 31, 2017 and December 31, 2016 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half year ended December 31, 2017 and December 31, 2016.

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 annual unconsolidated financial statements for the year ended June 30, 2017, except for the adoption of new accounting standards and interpretations as stated below:

4.1. New amended and revised standards and interpretations of IFRSs

The Company has adopted the following amendments and improvements in IFRSs which became effective for the current period:

Standard or Interpretation

IAS 7 - Statement of Cashflows : Disclosures - Disclosure Initiative (Amendment)
IAS 12 - Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)

Improvements to Accounting Standards Issued by the IASB in September 2014

IFRS 12 -Disclosure of Interests in Other Entities - Clarification of the scope of the disclosure requirements in IFRS 12

The adoption of the above amendments and improvements to accounting standards did not have any effect on the condensed interim unconsolidated financial statements.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB. The Company expects that such improvements to the standards do not have any material impact on the Company's condensed interim unconsolidated financial statements for the period.

5. 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, 2017. The Company's financial risk management objectives and policies are consistent with those disclosed in the annual unconsolidated financial statements as at and for the year ended June 30, 2017.



NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 (UN-AUDITED)

| | Note | December' 31 2017 (Un-audited) | June' 30 2017 (Audited) |
|---------------------------------|------|--------------------------------------|-------------------------------|
| 6. INVESTMENT PROPERTIES | | | |
| Investment property | 6.1 | 5,792,712,906 | 4,967,683,819 |
| Capital work-in-progress | 6.2 | 11,038,191 | 8,190,703 |
| | | <u>5,803,751,097</u> | <u>4,975,874,522</u> |

6.1. The movement in investment property during the period / year is as follows:

| | | | |
|------------------------------------|-------|----------------------|----------------------|
| Opening balance | | 4,967,683,819 | 4,632,000,000 |
| Additions during the period / year | | 5,245,905 | 46,918,610 |
| | | <u>4,972,929,724</u> | <u>4,678,918,610</u> |
| Remeasurement adjustment | | 819,783,182 | 288,765,209 |
| Closing balance | 6.1.1 | <u>5,792,712,906</u> | <u>4,967,683,819</u> |

6.1.1. An independent valuation of Centrepoint Project was carried out by an independent professional valuer on December 31, 2017 and the fair value of Rs. 5,793 million (June 30, 2017: Rs. 4,967 million) was determined with reference to market based evidence, active market prices and relevant information. Accordingly, the fair value adjustment for the period of Rs. 819.783 million (June 30, 2017: Rs. 288.765 million) is recognized in the profit and loss account (note 16). The fair value of investment property fall under level 2 of fair value hierarchy (i.e. significant observable inputs).

6.2. Capital work-in-progress

Represents expenses incurred and advances made by the Company in respect of development of investment properties.

| | Note | December' 31 2017 (Un-audited) | June' 30 2017 (Audited) |
|---|------|--------------------------------------|-------------------------------|
| 7. LONG-TERM LOAN | | | |
| Centrepoint Management Services (Private) Limited | 7.1 | <u>130,100,910</u> | <u>47,619,214</u> |

7.1. There are no material changes in the terms and conditions as disclosed in the annual financial statements (unconsolidated) of the Company for the year ended June 30, 2017.

| | Note | December' 31 2017 (Un-audited) | June' 30 2017 (Audited) |
|--|------|--------------------------------------|-------------------------------|
|--|------|--------------------------------------|-------------------------------|

8. RECEIVABLES AGAINST RENT FROM TENANTS – unsecured, considered good

Related parties:

| | | | |
|---|--|-------------------|-------------------|
| TPL Corp Limited (formerly TPL Trakker Limited) – the parent company (note 1.3) | | - | 6,104,189 |
| TPL Trakker (Private) Limited (formerly TPL Vehicle Tracking (Private) Limited) – an associated company (note 1.3) | | 27,066,303 | - |
| TPL Insurance Limited (formerly TPL Direct Insurance Limited) – an associated company | | 4,009,768 | - |
| Others | | 27,858,666 | 20,451,603 |
| | | <u>58,934,737</u> | <u>26,555,792</u> |



NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 (UN-AUDITED)

9. DUE FROM A RELATED PARTY – unsecured, considered good

| | | |
|--------------------------------------|-------------------|------------------|
| HKC Limited – the subsidiary company | <u>85,055,689</u> | <u>9,131,238</u> |
|--------------------------------------|-------------------|------------------|

10. SHORT-TERM DEPOSITS

During the period, the Company has placed a term deposit amounting to Rs.100 million. It carries mark up at the rate of 6.4 percent per annum, receivable on maturity date, i.e. December 13, 2018.

| Note | December' 31 2017 (Un-audited) | (Rupees) | June' 30 2017 (Audited) |
|--|--------------------------------------|----------|-------------------------------|
| 11. DUE TO RELATED PARTIES – unsecured | | | |
| TPL Holdings (Private) Limited – the ultimate parent Company | 200,831 | | 200,831 |
| TPL Corp Limited (formerly TPL Trakker Limited) – the parent company (note 1.3) | - | | 11,711,707 |
| TPL Trakker (Private) Limited (formerly TPL Vehicle Tracking (Private) Limited) – an associated company (note 1.3) | <u>5,761,854</u> | | - |
| 11.1 | <u>5,962,685</u> | | <u>11,912,538</u> |

11.1. There are no material changes in the terms and conditions as disclosed in the annual financial statements (unconsolidated) of the Company for the year ended June 30, 2017.

12. SHORT-TERM BORROWINGS

During the period, the Company has obtained short-term loan amounting to Rs. 400 million. It carries mark-up at the rate of 3 months KIBOR plus 1.50 percent per annum payable quarterly in arrears. It is secured against equitable mortgage over land and building of the holding company.

| | December' 31 2017 (Un-audited) | (Rupees) | June' 30 2017 (Audited) |
|---|--------------------------------------|----------|-------------------------------|
| 13. ADVANCES AGAINST RENT FROM TENANTS | | | |
| Related party: TPL Insurance Limited (formerly TPL Direct Insurance Limited) – an associated company | - | | 18,701,834 |
| Others | <u>54,607,735</u> | | <u>41,155,965</u> |
| | <u>54,607,735</u> | | <u>59,857,799</u> |

14. CONTINGENCIES AND COMMITMENTS

As of balance sheet date, there is no significant change in the status of contingencies and commitments as reported in annual financial statements for the year ended June 30, 2017.



NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 (UN-AUDITED)

| | For the half year ended | | For the quarter ended | |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | December' 31 2017 (Un-audited) | December' 31 2016 (Un-audited) | December' 31 2017 (Un-audited) | December' 31 2016 (Un-audited) |
| 15. RENTAL INCOME | | | | |
| Related parties: | | | | |
| TPL Corp Limited (formerly TPL Trakker Limited) – the parent company (note 1.3) | - | 20,962,114 | - | 10,481,057 |
| TPL Trakker (Private) Limited (formerly TPL Vehicle Tracking (Private) Limited) – an associated company (note 1.3) | 20,962,114 | - | 10,481,057 | - |
| TPL Insurance Limited (formerly TPL Direct Insurance Limited) – an associated company (note 1.3) | 22,711,602 | 22,711,601 | 11,355,801 | 11,355,801 |
| | 43,673,716 | 43,673,715 | 21,836,858 | 21,836,858 |
| Others | 139,501,499 | 140,170,050 | 69,750,751 | 70,085,026 |
| | <u>183,175,215</u> | <u>183,843,765</u> | <u>91,587,609</u> | <u>91,921,884</u> |
| 16. OTHER INCOME | | | | |
| Income from financial assets | | | | |
| Profit on saving account | 12,792,024 | 4,033,215 | 6,039,128 | 1,652,322 |
| Markup on long-term loan | 3,389,115 | 5,988,258 | 2,162,638 | 3,073,647 |
| Income from non-financial assets | | | | |
| Fair value gain on investment property | 819,783,182 | - | 819,783,182 | - |
| Others | 249,000 | 500,000 | 100,000 | 500,000 |
| | <u>836,213,321</u> | <u>10,521,473</u> | <u>828,084,948</u> | <u>5,225,969</u> |
| 17. TAXATION | | | | |
| Current | 19,496,535 | 8,228,014 | 11,220,166 | 4,027,460 |
| Deferred | (2,909,491) | 2,026,865 | (1,642,476) | (1,737,732) |
| | <u>16,587,044</u> | <u>10,254,879</u> | <u>9,577,690</u> | <u>2,289,728</u> |



NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 (UN-AUDITED)

18. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of the parent / ultimate parent companies, subsidiary companies, associated companies, directors of the Company, companies where directors also hold directorship, key employees and staff retirement funds. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim unconsolidated financial statements are as follows:

| Relationship with the company | Nature of Transactions | For the | For the |
|---|--|---|---|
| | | half year ended December 31, 2017 (Un-audited) | half year ended December 31, 2016 (Un-audited) |
| | | ----- (Rupees) ----- | |
| The Ultimate Parent Company | | | |
| TPL Holdings (Private) Limited [THL] | | | |
| | Amount received from THL by the Company on account of current account | - | 192,000,000 |
| | Mark-up charged on current account | 6,226 | 2,359,438 |
| | Payment made to THL on account of current account | - | 100,110,236 |
| | Payment made to THL on account of accrued mark-up | - | 7,889,764 |
| The Parent Company | | | |
| TPL Corp Limited [TCL] (formerly TPL Trakker Limited) (note 1.3) | | | |
| | Amount received from TCL | - | 77,000,000 |
| | Payment made to TCL on account of accrued mark-up | - | 23,144,052 |
| | Payment made by the Company | - | 317,755,959 |
| | Mark-up charged on current account | - | 9,677,421 |
| | Expenses incurred / paid by TCL on behalf of the Company | - | 8,806,094 |
| | Expenses incurred / paid by the Company on behalf TCL | - | 810,000 |
| | Adjustments of advance receivable for rent from TCL by the Company against due to related parties balance of TCL | - | 5,482,590 |
| | Amount received from TCL on account of rent | - | 23,529,412 |
| Subsidiary Company | | | |
| Centrepoint Management Services (Private) Limited [CMS] | | | |
| | Long-term loan: | | |
| | - received during the period / year | - | 225,550,000 |
| | - repaid during the period / year | 82,481,696 | 217,269,068 |
| | - mark-up charged during the period / year | 3,389,116 | 5,988,258 |
| | - payment received from CMS on account of accrued mark-up | 8,069,500 | - |
| HKC Limited (HKC) | | | |
| | Expenses incurred / paid by the Company on behalf of HKC | 75,924,451 | - |
| Associated Company | | | |
| TPL Trakker (Private) Limited (formerly TPL Vehicle Tracking (Private) Limited) (note 1.3) | | | |
| | Payment made to TCL on account of accrued mark-up | 1,036,431 | - |
| | Payment made by the Company on account of current account | 36,763,569 | - |
| | Mark-up charged on current account | 1,020,162 | - |
| | Expenses incurred / paid by TCL on behalf of the Company | 30,813,715 | - |
| | Amount received from TCL on account of rent | 20,962,114 | - |

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 (UN-AUDITED)

| | For the half year ended December 31, 2017 (Un-audited) | For the half year ended December 31, 2016 (Un-audited) |
|---|--|--|
| | ----- (Rupees) ----- | |
| <u>Common Directorship</u> | | |
| TPL Insurance Limited (formerly TPL Direct Insurance Limited) - an associated company (note 1.3) | | |
| Services acquired by the Company | <u>22,711,602</u> | <u>22,711,602</u> |
| <u>Staff retirement benefit fund</u> | | |
| TPL Properties Limited | | |
| - Provident fund | <u>685,356</u> | <u>-</u> |

19. DATE OF AUTHORISATION

These condensed interim unconsolidated financial statements were authorised for issue on February 22, 2018 by the Board of Directors of the Company.

20. GENERAL


- 20.1. Corresponding figures have been reclassified for the purpose of better presentation and comparison, wherever necessary. However, there are no material reclassifications to report.
- 20.2. All figures have been rounded off to the nearest rupee, unless otherwise stated.



 Chief Executive



 Chief Financial Officer



 Director

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET


AS AT DECEMBER 31, 2017 - (UN-AUDITED)

| <u>ASSETS</u> | <u>Note</u> | December' 31 2017 (Rupees) (Un-audited) | June' 30 2017 (Audited) |
|---|-------------|---|--|
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 4 | 358,511,896 | 370,820,634 |
| Investment property | 5 | 5,919,378,842 | 4,975,874,522 |
| Long-term deposits | | 1,586,919 | 186,919 |
| Deferred tax asset | | 81,964,430 | 77,325,732 |
| | | 6,361,442,087 | 5,424,207,807 |
| CURRENT ASSETS | | | |
| Inventory property | 6 | 886,856,186 | 886,856,436 |
| Tools | | 2,209,811 | 1,094,402 |
| Receivables against rent, maintenance and other services | 7 | 128,891,836 | 66,869,992 |
| Advances and prepayments | 8 | 76,742,319 | 23,672,653 |
| Due from a related party | | 74,096 | 74,100 |
| Taxation – net | | 110,486,313 | 103,837,162 |
| Short Term Deposit | 9 | 100,000,000 | - |
| Cash and bank balances | | 380,959,200 | 353,630,169 |
| | | 1,686,219,761 | 1,436,034,914 |
| TOTAL ASSETS | | 8,047,661,848 | 6,860,242,721 |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL | | | |
| Authorised capital | | | |
| 300,000,000 (2017: 300,000,000) ordinary shares of Rs.10/- (2017: Rs.10/-) each | | 3,000,000,000 | 3,000,000,000 |
| Issued, subscribed and paid-up capital | | 2,735,113,670 | 2,735,113,670 |
| Share premium account | | 560,563,555 | 560,563,555 |
| Accumulated profit | | 1,901,711,439 | 1,053,438,147 |
| | | 5,197,388,664 | 4,349,115,372 |
| Non-controlling interest | | 87,539,721 | 87,635,191 |
| | | 5,284,928,385 | 4,436,750,563 |
| NON-CURRENT LIABILITIES | | | |
| Long-term financing | | 1,760,964,658 | 1,900,573,763 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | | 148,368,750 | 113,214,377 |
| Due to related parties | 10 | 5,962,685 | 11,912,538 |
| Accrued Markup | | 68,924,136 | 60,743,064 |
| Short-term borrowings | 11 | 400,000,000 | - |
| Current portion of non-current liabilities | | 286,000,000 | 232,250,000 |
| Advances against rent, maintenance and other services | 12 | 91,614,485 | 103,899,416 |
| Share Application Money | | 898,750 | 898,750 |
| | | 1,001,768,806 | 522,918,145 |
| CONTINGENCIES AND COMMITMENTS | | | |
| TOTAL EQUITY AND LIABILITIES | 13 | 8,047,661,848 | 6,860,242,471 |

The annexed notes from 1 to 19 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

CONSOLIDATED CONDENSED INTERIM PROFIT & LOSS ACCOUNT


FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

| Note | For the half year ended | | For the quarter ended | | |
|--|-------------------------|----------------------|-----------------------|----------------------|-------------------|
| | December' 31 2017 | December' 31 2016 | December' 31 2017 | December' 31 2016 | |
| | (Un-audited) | (Un-audited) | (Un-audited) | (Un-audited) | |
| Revenue | 14 | 276,310,604 | 280,625,396 | 136,769,504 | 133,527,133 |
| Direct operating costs | | (83,048,921) | (74,064,036) | (41,473,750) | (35,289,141) |
| Gross profit | | 193,261,683 | 206,561,361 | 95,295,754 | 98,237,992 |
| Administrative and general expenses | | (54,025,907) | (60,992,681) | (9,263,289) | (36,779,847) |
| Finance costs | | (107,939,265) | (100,832,284) | (54,782,211) | (51,989,567) |
| Other income | 15 | 834,157,791 | 5,430,761 | 826,813,468 | 5,847,941 |
| Profit before taxation | | 865,454,302 | 50,167,157 | 858,063,722 | 15,316,520 |
| Taxation | 16 | (17,276,481) | (20,799,618) | (9,273,765) | (8,615,262) |
| Profit for the period | | 848,177,821 | 29,367,539 | 848,789,957 | 6,701,257 |
| Other comprehensive income for the period, net of tax | | - | - | - | - |
| Total comprehensive income for the period | | 848,177,821 | 29,367,539 | 848,789,957 | 6,701,257 |
| Attributable to: | | | | | |
| Owners of the company | | 848,273,291 | 29,367,539 | 848,859,612 | 6,701,257 |
| Non-controlling Interests | | (95,470) | - | (69,655) | - |
| | | 848,177,821 | 29,367,539 | 848,789,957 | 6,701,257 |
| Earnings per share – Basic and diluted | | 3.10 | 0.14 | 3.10 | 0.03 |

The annexed notes from 1 to 19 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT


FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

| | December' 31 2017 | December' 31 2016 |
|---|----------------------|----------------------|
| | (Rupees) | |
| | (Un-audited) | (Un-audited) |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 865,454,302 | 50,167,157 |
| Adjustment for non-cash items: | | |
| Depreciation | 19,151,480 | 18,174,498 |
| Finance costs | 107,939,265 | 106,585,881 |
| Mark up on due from a related party | - | (5,988,258) |
| Mark-up on savings account | (12,903,702) | (4,033,215) |
| | 114,187,043 | 114,738,906 |
| Working capital changes | | |
| Decrease / (increase) in current assets | | |
| Tools | (1,115,409) | 286,473 |
| Receivable against rent, maintenance and other services | (62,021,840) | (85,921,680) |
| Due from related parties | - | - |
| Advances and prepayments | (53,069,666) | (4,264,729) |
| Short Term Deposit | (100,000,000) | - |
| | (216,206,915) | (89,899,937) |
| Increase / (decrease) in current liabilities | | |
| Trade and other payables | 35,154,369 | (48,040,646) |
| Due to related parties | (5,949,853) | (23,294,409) |
| Advances against rent, maintenance and other services | (12,284,930) | (37,772,895) |
| | 16,919,586 | (109,107,950) |
| Cash flows from operations | 780,354,016 | (34,101,824) |
| Finance costs paid | (86,047,183) | (14,731,434) |
| Mark-up on savings account received | 12,903,702 | 4,033,215 |
| Income tax paid | (28,564,330) | 18,477,344 |
| Net cash flows (used in) / from operating activities | 678,646,205 | (26,322,699) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (6,842,742) | (9,368,038) |
| Expenditure incurred on investment property | (825,029,087) | (9,550,395) |
| Additions to capital work-in-progress | (118,475,233) | (4,324,863) |
| Long term deposits – net | (1,400,000) | 5,540,944 |
| Net cash flows used in investing activities | (951,747,061) | (17,702,352) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long-term financing – net | (99,570,114) | (53,458,837) |
| Obligation against finance leases repaid | - | (127,760,448) |
| Short-term borrowings - net | 400,000,000 | (200,000,000) |
| Due to related parties | - | (146,352,689) |
| Net cash flows from financing activities | 300,429,886 | (527,571,974) |
| Net increase in cash and cash equivalents | 27,329,030 | (571,597,027) |
| Cash and cash equivalents at the beginning of the year | 353,630,171 | 852,543,317 |
| Cash and cash equivalents at the end of the year | 380,959,200 | 280,946,290 |

The annexed notes from 1 to 19 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY


FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

| | Share Capital | Capital Reserves- Share premium account | Revenue Reserves- Accumulated Profit | Non-Controlling Interest | Total |
|---|----------------------|---|--------------------------------------|--------------------------|----------------------|
| | ----- (Rupees) ----- | | | | |
| Balance at June 30, 2016 | 2,080,000,000 | 140,497,151 | 722,137,012 | - | 2,942,634,163 |
| Profit for the year | - | - | 29,367,539 | - | 29,367,539 |
| Balance at December 31, 2016 | <u>2,080,000,000</u> | <u>140,497,151</u> | <u>751,504,551</u> | <u>-</u> | <u>2,972,001,702</u> |
| Balance at June 30, 2017 | 2,735,113,670 | 560,563,555 | 1,053,438,148 | 87,635,191 | 4,436,750,564 |
| Post Acquisition Share | - | - | 848,273,291 | (95,470) | 848,177,821 |
| Other comprehensive income for the year, net of tax | - | - | - | - | - |
| Total comprehensive income for the year | - | - | 848,273,291 | (95,470) | 848,177,821 |
| Balance at December 31, 2017 | <u>2,735,113,670</u> | <u>560,563,555</u> | <u>1,901,711,439</u> | <u>87,539,721</u> | <u>5,284,928,385</u> |

The annexed notes from 1 to 19 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director



NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

1. LEGAL STATUS AND OPERATIONS OF THE GROUP

The Group comprises TPL Properties Limited and its wholly owned subsidiary company i.e. Centrepoint Management Services (Private) Limited and HKC Limited, that have been consolidated in these unaudited consolidated condensed interim financial statements:

1.1. Holding Company

TPL Properties Limited [the Holding Company]

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. The registered office of the Holding Company is situated at 12th Floor 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 holding and ultimate holding company respectively, as of balance sheet date.

1.2. Subsidiary Company

Centrepoint 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. The registered office of CMS is situated at 12th Floor Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi.

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 Centrepoint Project of the Holding Company. Currently, the CMS is in start-up phase and fully supported by the financial support of the holding company to achieve its full potential in order to make adequate profits and generate positive cash flows.

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. The registered office of the Company is situated at 12th Floor Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi.

2. STATEMENT OF COMPLIANCE

During the year, the Companies Act, 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular No. 17 of 2017 dated July 20, 2017 communicated its decision that the companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Furthermore SECP vide its circular No. 23 of 2017 dated October 4, 2017 communicated its decision that the companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements (quarterly and half yearly or annual) in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, the Group's condensed financial statements for the three months ended September 30, 2017 have been prepared considering the requirements of the International Accounting Standards 34 - Interim Financial Reporting and the provisions and directives issued under the repealed Companies Ordinance, 1984. In case where the requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984 shall prevail.



NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Basis of preparation

This unaudited condensed interim consolidated financial information has been prepared in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and being submitted to the shareholders as required under section 245 of the repealed Companies Ordinance, 1984. This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2017.

These unaudited condensed interim consolidated financial statements have been prepared under the historical cost convention except for investment property and inventory property which has been measured at fair value.

3.2. Basis of consolidation

These unaudited condensed interim consolidated financial statements comprise of the financial statements of the Holding Company, its subsidiary companies, CMS and HKC as at December 31, 2017, here-in-after referred to as 'the Group'.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation followed for the preparation of this unaudited condensed interim consolidated financial statements are the same as those applied in preparing the consolidated financial statements for the year ended 30 June 2017 as follows;

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

The following revised standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretations:

| Standard or Interpretation | Effective date (annual periods beginning on or after) |
|--|---|
| IFRS 2 - Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments) | 1-Jan-18 |
| IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investment in Associates – Investment Entities: Applying the Consolidation Exception (Amendment) | 1-Jan-16 |
| IFRS 10 - Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment) | Not yet finalised |
| IFRS 11 - Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment) | 1-Jan-16 |
| IAS 1 - Presentation of financial statements: Disclosure initiative – clarification on materiality, disaggregation and subtotals, Note, Other Comprehensive Income (OCI) (Amendments) | 1-Jan-16 |
| IAS 7 - Statement of Cash Flows: Disclosure Initiative - (Amendment) | 1-Jan-17 |



NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

IAS 12 - Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments) 1-Jan-17

IAS 16 - Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment) 1-Jan-16

IAS 16 - Property, Plant and Equipment IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment) 1-Jan-16

IAS 27 – Separate Financial Statements: Equity Method in Separate Financial Statements (Amendment) 1-Jan-16

The Group expects that the adoption of the above revisions and amendments will not have any material impact on the Group's consolidated financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in September 2014. Such improvements are generally effective for accounting periods beginning on or after January 01, 2016. The Group expects such improvements to the standards will not have any material impact on the Group's consolidated financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan.

| Standard | IASB Effective date (annual periods beginning on or after) |
|--|--|
| IFRS 9 - Financial Instruments: Classification and Measurement | 1-Jan-18 |
| IFRS 14 - Regulatory Deferral Accounts | 1-Jan-16 |
| IFRS 15 - Revenue from Contracts with Customers | 1-Jan-18 |
| IFRS 16 - Leases | 1-Jan-19 |

The Group expects that above new standards will not have any material impact on the Group's interim consolidated financial statements in the period of initial application.

| | Note | December' 31 2017 (Un-audited) | IASB Effective date (annual periods beginning on or after) | June' 30 2017 (Audited) |
|--|------|--------------------------------------|---|-------------------------------|
| 4 PROPERTY, PLANT AND EQUIPMENT | | | | |
| The movement in property, plant and equipment during the period / year are as follows: | | | | |
| Opening balance | | 370,820,634 | | 375,806,971 |
| Add: Additions during the period / year | 4.1 | 6,882,742 | | 31,565,232 |
| Less: Disposals during the period / year | | (40,000) | | - |
| | | <u>377,663,376</u> | | <u>407,372,203</u> |
| Less: Depreciation Charge for the period / year | | (19,181,480) | | (36,551,569) |
| Add: Accumulated Depreciation of Disposals for the period / year | | 30,000 | | - |
| Operating fixed assets (WDV) | | <u>358,511,896</u> | | <u>370,820,634</u> |



NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

| 4.1 | Additions / Disposals during the period | (Rupees) | |
|-----|---|--------------------------------------|-------------------------------|
| | | December' 31 2017 (Un-audited) | June' 30 2017 (Audited) |
| | Furniture | 10,400 | (33,180) |
| | IT equipment and computer accessories | 867,656 | 4,407,771 |
| | Vehicle | - | 2,628,649 |
| | Electrical equipments | 203,500 | 6,254,578 |
| | Power generation unit | 3,037,694 | 6,892,240 |
| | Gym equipment | 2,763,492 | 11,415,174 |
| | | <u>6,882,742</u> | <u>31,565,232</u> |

| 5 | INVESTMENT PROPERTY | Note | (Rupees) | |
|---|--------------------------|------|--------------------------------------|-------------------------------|
| | | | December' 31 2017 (Un-audited) | June' 30 2017 (Audited) |
| | Investment property | 5.1 | 5,792,712,906 | 4,967,683,819 |
| | Capital work-in-progress | 5.3 | 126,665,936 | 8,190,703 |
| | | | <u>5,919,378,842</u> | <u>4,975,874,522</u> |

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

| | | |
|---|----------------------|----------------------|
| As at July 01, 2017 | 4,967,683,819 | 4,632,000,000 |
| Add: Additions during the year - subsequent expenditure | <u>5,245,905</u> | 46,918,610 |
| | 4,972,929,724 | 4,678,918,610 |
| Gain from fair value adjustment | 819,783,182 | 288,765,209 |
| | <u>5,792,712,906</u> | <u>4,967,683,819</u> |

5.2 An independent valuation of Centrepoint Project was carried out by an independent professional valuer on December 31, 2017 and the fair value of Rs. 5,793 million (June 30, 2017: Rs. 4,967 million) was determined with reference to market based evidence, active market prices and relevant information. Accordingly, the fair value adjustment for the period of Rs. 819.783 million (June 30, 2017: Rs. 288.765 million) is recognized in the profit and loss account (note 16). The fair value of investment property fall under level 2 of fair value hierarchy (i.e. significant observable inputs).

5.3 Represents expenses incurred on various projects of the Holding Company related to the construction of investment property.

6 INVENTORY PROPERTY

Represents asset transferred from property, plant and equipment (i.e. land and capital work-in-progress incurred thereon) to the inventory property due to change in the anticipated use of the underlying property in the books of HKC (the subsidiary company). The land is intended to be used for development of residential building thereon which shall be sold in the ordinary course of business.



NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

| | December' 31 2017 (Un-audited) | June' 30 2017 (Audited) |
|---|--------------------------------------|-------------------------------|
| 7 RECEIVABLE AGAINST RENT, MAINTENANCE AND OTHER SERVICES - unsecured, considered good | | |
| Receivables against rent | | |
| Related party | | |
| TPL Corp Limited – the parent company | 27,066,303 | 6,104,189 |
| TPL Insurance Limited | 4,009,768 | - |
| Others | <u>27,856,665</u> | <u>20,451,603</u> |
| | 58,934,737 | 26,555,792 |
| Receivables against maintenance | | |
| Related party: | | |
| TPL Corp Limited – the parent company | 8,197,516 | 2,805,905 |
| Others | <u>1,659,111</u> | <u>89,006</u> |
| | 9,856,628 | 2,894,911 |
| Receivables against electricity and air conditioning services | | |
| Related parties | | |
| TPL Corp Limited – the parent company | 32,298,361 | 18,000,541 |
| TPL Insurance Limited | 672,857 | 1,020,008 |
| | <u>32,971,218</u> | <u>19,020,549</u> |
| Others | <u>7,780,995</u> | <u>12,178,133</u> |
| | 40,752,214 | 31,198,682 |
| Receivables against other water supply services | | |
| Related parties | | |
| TPL Corp Limited – the parent company | 2,274,847 | 1,425,698 |
| TPL Insurance Limited | 97,759 | 129,337 |
| | <u>2,372,607</u> | <u>1,555,035</u> |
| Others | <u>1,446,295</u> | <u>2,857,573</u> |
| | 3,818,902 | 4,412,608 |
| Receivables against IT services | | |
| Related party | | |
| TPL Corp Limited – the parent company | 15,529,356 | 1,807,999 |
| | <u>128,891,836</u> | <u>66,869,992</u> |
| 8 ADVANCES AND PREPAYMENTS | | |
| Advances – unsecured, considered good | | |
| Suppliers and contractors | 71,964,297 | 16,461,105 |
| Employees | <u>580,769</u> | <u>1,122,437</u> |
| | 72,545,066 | 17,583,542 |
| Prepayments | | |
| Insurance | 3,538,853 | 4,385,111 |
| Security trustee fee | 282,498 | 847,500 |
| Agency fee | 282,498 | 847,500 |
| Others | <u>93,404</u> | <u>9,000</u> |
| | 4,197,253 | 6,089,111 |
| | <u>76,742,319</u> | <u>23,672,653</u> |



NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

9. SHORT TERM DEPOSIT

During the period, the Company has placed a term deposit amounting to Rs.100 million. It carries mark up at the rate of 6.4 percent per annum, receivable on maturity date, i.e. December 13, 2018.

| | | December' 31 2017 | June' 30 2017 |
|--|------|----------------------|-------------------|
| | Note | (Rupees) | |
| | | (Un-audited) | (Audited) |
| 10. DUE TO RELATED PARTIES – unsecured | | | |
| TPL Holdings (Private) Limited – the ultimate parent company | 9.1 | 200,831 | 200,831 |
| TPL Corp Limited – the parent company | 9.2 | 5,761,854 | 11,711,707 |
| | | <u>5,962,685</u> | <u>11,912,538</u> |

10.1. Represents loan financing facility provided to the Holding Company having a limit of Rs. 400 million carrying mark-up at the variable rate of 3 months KIBOR.

10.2. Represents loan financing facility provided to Holding Company having a limit of Rs. 100 million (2017: Rs. 250 million) carrying mark-up at the variable rate of 3 months KIBOR plus 4 percent.

11. SHORT-TERM BORROWINGS

During the period, the Company has obtained short-term loan amounting to Rs. 400 million. It carries mark- up at the rate of 3 months KIBOR plus 1.50 percent per annum payable quarterly in arrears. It is secured against equitable mortgage over land and building of the holding company.

| | | December' 31 2017 | June' 30 2017 |
|--|--|----------------------|--------------------|
| | | (Rupees) | |
| | | (Un-audited) | (Audited) |
| 12. ADVANCES AGAINST RENT, MAINTENANCE AND OTHER SERVICES | | | |
| Advances against rent | | | |
| Related party | | | |
| TPL Insurance Limited – an associated company | | - | 18,701,834 |
| Others | | 54,607,735 | 41,155,965 |
| | | <u>54,607,735</u> | <u>59,857,799</u> |
| Advances against maintenance services | | | |
| Related parties | | | |
| - TPL Corp Limited - a related party | | - | - |
| - TPL Insurance Limited - a related party | | 1,468,624 | 6,271,158 |
| Others | | 34,838,126 | 37,070,459 |
| | | <u>36,306,750</u> | <u>43,341,617</u> |
| Advances against other services | | | |
| Related party | | | |
| TPL Life – an associated company | | 700,000 | 700,000 |
| | | <u>91,614,485</u> | <u>103,899,416</u> |



NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

13. CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies and commitments as reported in the annual financial statements (consolidated) of the company for the year ended June 30, 2017.

14. REVENUE

Related parties:

| | For the half year ended | | For the quarter ended | |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | December' 31 2017 (Un-audited) | December' 31 2016 (Un-audited) | December' 31 2017 (Un-audited) | December' 31 2016 (Un-audited) |
| TPL Corp Limited – the parent company | 20,962,114 | 20,962,114 | 10,481,057 | 10,481,057 |
| TPL Insurance Limited – an associated company | 22,711,602 | 22,711,602 | 11,355,801 | 11,355,801 |
| | 43,673,716 | 43,673,716 | 21,836,858 | 21,836,858 |
| Others | 139,501,500 | 140,170,050 | 69,750,752 | 70,085,027 |
| | 183,175,215 | 183,843,765 | 91,587,609 | 91,921,885 |

Revenue from maintenance and services

| | For the half year ended | | For the quarter ended | |
|-------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | December' 31 2017 (Un-audited) | December' 31 2016 (Un-audited) | December' 31 2017 (Un-audited) | December' 31 2016 (Un-audited) |
| Related parties: | | | | |
| - TPL Corp Limited | 3,691,965 | 4,184,233 | 1,845,982 | 1,353,721 |
| - TPL Insurance Limited | 3,757,665 | 4,258,693 | 1,878,833 | 1,377,810 |
| | 7,449,630 | 8,442,926 | 3,724,815 | 2,731,531 |
| Others | 26,347,388 | 28,855,688 | 13,279,768 | 9,853,628 |
| | 33,797,018 | 37,298,615 | 17,004,583 | 12,585,159 |

Revenue from electricity and conditioning services

| | For the half year ended | | For the quarter ended | |
|-------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | December' 31 2017 (Un-audited) | December' 31 2016 (Un-audited) | December' 31 2017 (Un-audited) | December' 31 2016 (Un-audited) |
| Related parties: | | | | |
| - TPL Corp Limited | 11,900,965 | 11,865,145 | 6,055,477 | 5,641,368 |
| - TPL Insurance Limited | 3,883,625 | 4,488,849 | 1,790,207 | 2,185,744 |
| | 15,784,590 | 16,353,994 | 7,845,684 | 7,827,112 |
| Others | 32,663,824 | 33,229,062 | 14,886,649 | 16,242,998 |
| | 48,448,414 | 49,583,056 | 22,732,333 | 24,070,110 |

Revenue from IT services

| | For the half year ended | | For the quarter ended | |
|--------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | December' 31 2017 (Un-audited) | December' 31 2016 (Un-audited) | December' 31 2017 (Un-audited) | December' 31 2016 (Un-audited) |
| Related party: | | | | |
| - TPL Corp Limited | 10,889,956 | 9,899,960 | 5,444,978 | 4,949,980 |
| | 276,310,604 | 280,625,396 | 136,769,504 | 133,527,133 |

15. OTHER INCOME

Income from financial assets

| | | | | |
|--------------------------|------------|-----------|-----------|-----------|
| Profit on saving account | 12,903,702 | 4,339,117 | 6,148,879 | 1,917,625 |
|--------------------------|------------|-----------|-----------|-----------|

Income from non-financial assets

| | | | | |
|--|-------------|-----------|-------------|-----------|
| Fair value gain on investment property | 819,783,182 | - | 819,783,182 | - |
| Income from ancillary services | 1,470,907 | 1,091,644 | 881,407 | 3,930,316 |
| | 834,157,791 | 5,430,761 | 826,813,466 | 5,847,941 |



NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

| | For the half year ended | | For the quarter ended | |
|---------------------|-------------------------|----------------------|-----------------------|----------------------|
| | December' 31 2017 | December' 31 2016 | December' 31 2017 | December' 31 2016 |
| | (Un-audited) | (Un-audited) | (Un-audited) | (Un-audited) |
| | (Rupees) | (Rupees) | (Rupees) | (Rupees) |
| 16. TAXATION | | | | |
| Current | 21,367,379 | 11,469,181 | 12,123,804 | 4,850,665 |
| Prior | 547,800 | - | 117,596 | - |
| Deferred | (4,638,698) | 9,330,437 | (2,967,634) | 3,764,597 |
| | <u>17,276,481</u> | <u>20,799,618</u> | <u>9,273,765</u> | <u>8,615,262</u> |

17. 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:

| | December' 31 2017 | December' 31 2016 |
|--|----------------------|----------------------|
| | (Rupees) | (Rupees) |
| | (Un-audited) | (Un-audited) |
| The Ultimate Parent Company | | |
| TPL Holdings (Private) Limited [THL] | | |
| Amount received from THL by the Holding Company | - | 192,000,000 |
| Mark-up for the year on current account given to Holding Company | 6,226 | 2,359,438 |
| Payment made to THL by the Holding Company | - | 100,110,236 |
| Payment made to THL by the Holding Company on account of accrued mark-up | - | 7,889,764 |
| Mark-up accrued for the year on current account given to CMS | - | 851 |
| Advance paid by CMS to THL | - | 313,405 |
| Mark-up adjusted by CMS against loan of THL | - | 13,405 |
| The Parent Company | | |
| TPL Corp Limited [TCL] | | |
| Amount received from TCL by the Holding Company | - | 77,000,000 |
| Payment made to TCL by the Holding Company on account of accrued mark-up | - | 23,144,052 |
| Payment made by the Company | - | 317,755,959 |
| Mark-up for the year on current account given to the Holding Co. | - | 9,677,421 |
| Expenses incurred / paid by TCL on behalf of the Holding Company | - | 8,806,094 |
| Expenses incurred / paid by the Company on behalf TCL | - | 810,000 |
| Adjustments of advance receivable for rent from TCL by the Holding Company | - | |
| - due to related parties balance of TCL | - | 5,482,590 |
| Services rendered by Holding company | - | 20,962,114 |
| Services rendered by CMS | - | 26,665,514 |
| Amount received against maintenance and other services by the Company | - | 9,610,703 |



NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017 - (UN-AUDITED)

| | December' 31 2017 (Un-audited) | December' 31 2016 (Un-audited) |
|--|--------------------------------------|--------------------------------------|
| Associated Company | | |
| TPL Trakker (Private) Limited (formerly TPL Vehicle Traking (Private) Limited | | |
| Payment made to TCL by the Holding Company on account of accrued mark-up | 1,036,431 | - |
| Payment made by the Company | 36,763,569 | - |
| Mark-up for the year on current account given to the Holding Co. | 1,020,162 | - |
| Expenses incurred / paid by TCL on behalf of the Holding Company | 30,813,715 | - |
| Services rendered by Holding company | 20,962,114 | - |
| Services rendered by CMS | 27,562,037 | - |
| Common Directorship | | |
| TPL Insurance Limited [TIL] | | |
| Services rendered by Holding company | 22,711,602 | 22,711,602 |
| Services rendered by CMS | 8,472,131 | 9,322,314 |
| Amount received against maintenance and other services by the Company | 4,928,762 | 6,973,514 |
| TPL Security Services (Pvt) Limited [TSS] | | |
| Services received by CMS | 4,660,700 | 4,527,600 |
| Staff retirement benefit fund | | |
| Group – Provident fund | | |
| Employer contribution | 1,956,536 | - |

18. DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorised for issue on February 22, 2018 by the Board of Directors of the Group.

19. GENERAL

- 19.1. Certain prior year's figures have been rearranged for better presentation, wherever necessary. However, there are no material reclassification to report.
- 19.2. Figures have been rounded off to the nearest rupee, unless otherwise stated.

Chief Executive

Chief Financial Officer

Director

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