



Half Yearly Report
Period Ended December 31, 2021



Journey of Evolution

This year's Annual Report looks at TPL Properties' growth, innovation and persistence, visualised by the evolution of shapes and structures. Though our evolution has holistically led to where we are today, each step has maintained its significance through the role it played to bring us here.

TABLE OF CONTENTS

Vision and Mission	02
Core Values	02
Company Information	03
Directors' Report	04
Economic Outlook	04
Real Estate Sector	04
Company Outlook	05
Financial Performance	05
Credit Rating	06
Acknowledgments	06
Auditor's Review Report	10
Standalone Financial Statements	
Statement of Financial Position	11
Statement of Profit and Loss Account	12
Statement of Changes in Equity	13
Statement of Cash Flow	14
Notes to the Financial Statements	15
Consolidated Financial Statements	
Consolidated Statement of Financial Position	25
Consolidated Statement of Profit and Loss Account	26
Consolidated Statement of Changes in Equity	27
Consolidated Statement of Cash Flow	28
Notes to the Consolidated Financial Statements	29

Vision

To be the region's premier property developer providing world-class spaces, supported by a leading team of professionals.

Mission

To set the benchmark for other developers to follow domestically and regionally.

Core Values

- Corporate Social Responsibility
- Innovation
- Equal Opportunity Employer
- Integrity
- Excellence
- Maximum Stakeholder Return
- Respect



Company Information

Board of Directors

Jameel Yusuf S.St.
Ali Jameel
Ziad Bashir
Sabiha Sultan
Siraj Dadabhoy
Abdul Wahab Al-Halabi
Vice Admiral (R) Muhammad Shafi HI (M)
Kahlid Mehmood

Chairman
Director
Director
Director
Director
Director
Director
Director

Chief Executive Officer

Ali Jameel

Chief Operating Officer

Jamil Akber

Chief Financial Officer

Sohail Khatri

Company Secretary

Danish Qazi

Audit Committee

Ziad Bashir
Siraj Dadabhoy
Vice Admiral (R) Muhammad Shafi Hi (M)
Muhammad Asif

Chairman
Member
Member
Secretary

Human Resources & Remuneration Committee

Abdul Wahab Al-Halabi
Ali Jameel
Kahlid Mehmood
Nader Nawaz

Chairman
Member
Member
Secretary

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisor

Mohsin Tayebali & Co

Bankers

National Bank of Pakistan
Habib Metropolitan Bank Limited
United Bank Limited
Habib Bank Limited
JS Bank Limited
Al Baraka Bank Pakistan Limited
Summit Bank Limited
Bank Islami Pakistan Limited
The Bank of Punjab
Silk Bank Limited
Dubai Islamic Bank Limited
Meezan Bank Limited
Soneri Bank Limited
Bank Al Habib Limited

Share Registrar

THK Associates
Plot # 32-C, 2nd Jami Commercial Street
DHA Phase 7, Karachi - 75500
Tel: (021) 35310191-6
UAN: 111-000-322
Fax: (021) 35310190
Email: sfc@thk.com.pk

Registered Office

20th Floor, Sky Tower - East Wing,
Domen City, HC-3,
Abdul Sattar Edhi Avenue,
Block No. 4, Clifton, Karachi.

Web Presence

www.tplproperty.com

Directors' Report

For the period ended December 31, 2021

The Directors are pleased to present the audited condensed financial information for the Period ended December 31, 2021 and a brief review of the Company's operations.

Economic Outlook

The first half of FY22 was expected to be a period of recovery as the entire FY21 year remained challenging for both the global economy and consumer sentiments owing to the ongoing COVID 19 pandemic. Due to prudent measures such as supportive policies by the Government (GoP) and the Central Bank, Pakistan has effectively controlled infection cases and turned around its economy in 1HFY22.

Average inflation for the 1HFY22 clocked in at 9.79%, slightly higher than the previous year's for the same period i.e. 8.63%; driven by an unusual increase in oil prices and from potential currency depreciation in the wake of any early winding down of the ongoing IMF program. Additionally, the Central Bank was proactive to mitigate the impact of inflation by increasing the policy rate cumulatively by 275 basis point in the first half of FY22, which presently stands at 9.75%.

The fiscal side remained promising, as the Federal Board of Revenue collected net revenues of PKR 2.9 Trillion in 1HFY21, representing a growth of 32.5% from last year, for the same period, mainly attributed to increased import bills, US dollar appreciation against PKR and streamlining of tax collection process.

Moreover, the improving fiscal condition reflected by improved tax collection and expected disbursement of USD 1 Billion by the IMF will provide a needed cushion to elevate the monetary policy amidst tightening economic conditions, thereby easing external pressure.

As consumer and investor's confidence has significantly improved amid the ongoing vaccines rollout and various economic measures, the Asian Development Bank (ADB) has projected Pakistan's GDP to reach 4% in FY22.

Real Estate Sector

The Real Estate sector witnessed a boom during FY21 and continued its trajectory during 1HFY22, propelled by the incentives announced by the incumbent government amid the outbreak of Covid-19. The GoP's keen focus towards the sector has been observed since it took charge in 2018, evident from schemes such as 'Mera Pakistan Mera Ghar' (MPMG), 'Amnesty Scheme' and Naya Pakistan Housing Scheme.

According to the central bank, the loan disbursements to housing and the construction sector under MPMG has witnessed impressive growth of 600%, increasing from PKR 5 Billion in June 2021 to PKR 38 Billion in December 2021. Simultaneously, approvals for financing from banks also increased from PKR 39 Billion to 117 Billion, during the same period.

The lowered interest rate and incentives announced for the real estate sector, specifically for the investors and businessman to counterbalance the impact of pandemic, have resulted in the development of several new real estate projects for the middle class society. The effect of these measures is expected to be seen in the 2HFY22 as well. It is pertinent to mention that with the influx of capital from the local and overseas Pakistanis, Real Estate has proved to be one of the most lucrative sector due to its profits and benefits.

Company Outlook

The quarter continued to be a challenging one for the business on the first two development projects, due to regulatory bottlenecks, which started progressing only in December. Preparatory and façade protection works were initiated at One Hoshang with main works expected to start by end of the following quarter. The Special Technology Zone license application for Technology Park was submitted and so far a positive response has been given by the Authority. This will help further improve the project returns. Development work on The Mangrove (40 acres in Korangi) is progressing well, with master planning process progressing.



The company's wholly owned subsidiary, TPL RMC Ltd, got SECP approval for Pakistan's first hybrid REIT Fund. Financial commitments for the first close have been received and the Fund is expected to formally be established within H2FY22.

As described in our Annual Director's Report to shareholders, TPL Properties long term value creation will crystallize with the evolving business structure. TPL Properties, subsequent to the formation of TPL REIT Fund I, will have four core pillars as its business model. Firstly, it will own a significant portion of the REIT based on the contribution of land and project developed to date. This REIT will provide dividends to The Company over the coming years. Secondly, it will continue to develop these three projects and more for which it will receive development fees. Thirdly, as owner of the RMC, it will receive dividends as the RMC receives management fees for REIT. Finally, it will continue to own TPL Property Management Services whereby more projects managed in the future will provide additional earnings to the Company.

Financial Performance

Standalone Performance

Brief Results of standalone performance of the company is as follows:

Description	December 31, 2021	December 31, 2020
	(Un-Audited)	(Un-Audited)
	Rs.	Rs.
Revenue	23,901,993	179,460,754
Gross Profit	23,841,247	172,815,322
(Loss)/Profit before tax	(70,688,350)	(4,326,660)
(Loss)/Profit after tax	(72,222,526)	5,762,635
Number of outstanding shares	392,871,728	327,393,106
(Loss)/Earnings per share - Pre tax	(0.18)	(0.01)
(Loss)/Earnings per share - Post tax	(0.18)	0.02

The company registered a marginal Loss after tax of Rs. 72.22m consequent to revenue drying up post sale of Centerpoint. However, the company expects profits through Capital Gain and Development Charges once the SPVs are moved to the REIT and construction start on the three projects.

Consolidated Performance

Brief Results of Consolidated Performance of the company is as follows:

Description	December 31, 2021	December 31, 2020
	(Un-Audited)	(Un-Audited)
	Rs.	Rs.
Revenue	31,401,993	280,410,455
Gross Profit	31,341,247	199,502,936
Loss before tax	3,479,860,792	(14,772,039)
Loss after tax	3,476,863,593	(8,434,280)
Number of outstanding shares	392,871,727	327,393,106
(Loss)/Earnings per share - Pre tax	10.30	(0.04)
(Loss)/Earnings per share - Post tax	10.30	(0.02)



Major reasons for Consolidated Profit after tax is due to revaluation gain on Technology Park and Mangrove. The same will reflect in standalone once the SPVs are moved to REIT Fund.

Credit Rating

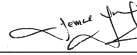
The Pakistan Credit Rating Agency Limited (PACRA) has maintained the long-term and short-term entity ratings of TPL Properties Limited (TPL) at "A+" (Single A plus) and "A1" (A one) respectively with a stable outlook. These ratings denote a low expectation of credit risk emanating from a strong capacity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

Acknowledgement

We have been able to operate efficiently because of the culture of professionalism, creativity 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
CEO



Jameel Yusuf Ahmed S.St.
Chairman



ڈائریکٹرز کی رپورٹ

برائے مختتمہ مدت 31 دسمبر 2021

ڈائریکٹرز 31 دسمبر 2021 کو ختم ہونے والی مدت کے لیے نظر ثانی شدہ مجموعی مالیاتی معلومات اور کھنی کے کاموں کا مختصر جائزہ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

اقتصادی منظر

مالی سال 22 کی پہلی ششماہی بحالی کی مدت کے طور پر متوقع تھی کیونکہ جاری COVID-19 وبائی بیماری کی وجہ سے پورا مالی سال 21 عالمی معیشت اور صارفین کے جذبات دونوں کے لیے چیلنجنگ رہا۔ حکومت (GoP) اور سنٹرل بینک کی معاون پالیسیوں جیسے، آئشنڈانا اقدامات کی وجہ سے پاکستان نے 1HFY22 میں انفلیکشن کے کیسز کو مؤثر طریقے سے کنٹرول کیا اور اپنی معیشت کا رخ موڑ دیا ہے۔ تیل کی قیمتوں میں غیر معمولی اضافے اور آئی ایم ایف کے جاری پروگرام کے کسی بھی جلد بند ہونے کے نتیجے میں کمزور کنٹرول کی مدتوں میں کی وجہ سے 1HFY22 کے لیے اوسط موکائی %9.79 تک پہنچ گئی، جو پچھلے سال کی اسی مدت کی یعنی %8.63 سے معمولی زیادہ ہے۔ مزید برآں، مرکزی بینک مالی سال 22 کی پہلی ششماہی میں مجموعی طور پر پالیسی اور بٹ میں 275 بیس پوائنٹ تک اضافہ کر کے افراط زر کے اثرات کو کم کرنے کے لیے سرگرم تھا۔ جو، فی الحال %9.75 پر قائم ہے۔

مالیاتی پہلو امید افزا رہا، کیونکہ فیڈرل بورڈ آف ریونیو نے 1HFY21 میں 2.9 فیصد روپے کا خالص ریونیو اکٹھا کیا، جو کہ پچھلے سال کی اسی مدت کے مقابلے میں %32.5 کی نمو کی نمائندگی کرتا ہے، جس کی بنیادی وجہ درآمدی بلوں میں اضافہ، پاکستانی روپیہ کے مقابلے میں امریکی ڈالر کی قدر میں اضافہ اور ٹیکس وصولی کے عملکو ہموار کرنا ہے۔

مزید برآں، بہتری کی طرف گامزن مالی حالت جس کی عکاسی بہتر ٹیکس وصولی اور IMF کی جانب سے 1 بلین امریکی ڈالر کی متوقع تقسیم سے ظاہر ہوتی ہے، سخت معاشی حالات کے درمیان مائیکرو پالیسی کو بلند کرنے کے لیے ضروری سہارا فراہم کرے گا، اس طرح بیرونی دباؤ کو کم کرنے کی آئی گی۔

چونکہ جاری ویکسز کے اجراء اور مختلف معاشی اقدامات کے درمیان صافئیں اور سرمایہ کاروں کے اعتماد میں نمایاں بہتری آئی ہے، ایشیائی ترقیاتی بینک (ADB) نے مالی سال 22 میں پاکستان کی ڈی پی 4 فیصد تک بڑھنے کی پیش گوئی کی ہے۔

ریٹیل اسٹیٹ بینک

ریٹیل اسٹیٹ بینک نے مالی سال 21 کے دوران عروج کا مشاہدہ کیا اور 1HFY22 کے دوران اپنی رفتار کو جاری رکھا، جو کوویڈ-19 کے پھیلنے کے دوران موجودہ حکومت کی طرف سے اعلان کردہ مراعات سے آگے بڑھا۔ 2018 میں چارج سنبھالنے کے بعد سے اس شعبے کی طرف GoP کی گہری توجہ کا مشاہدہ کیا گیا ہے، جو میسر پاکستان میرا گھر (MPMG)، ایم پی سی ایم اور نیا پاکستان ہاؤسنگ اسکیم جیسی اسکیموں سے ظاہر ہوتا ہے۔

مرکزی بینک کے مطابق، MPMG کے تحت ہاؤسنگ اور کنسٹرکشن سکٹر کو قرضوں کی تقسیم میں %600 کی مینٹر کن نمونہ دیکھنے میں آئی ہے، جو جون 2021 میں 5 بلین روپے سے بڑھ کر دسمبر 2021 میں 38 بلین روپے ہو گئی ہے۔ اس کے ساتھ ساتھ بینکوں سے فنڈنگ کی منظوری میں بھی اسی مدت کے دوران %39 بلین روپے سے %117 بلین روپے تک اضافہ ہوا۔

ریٹیل اسٹیٹ بینک، خاص طور پر سرمایہ کاروں اور تاجروں کے لیے وبائی بیماری کے اثرات کا مقابلہ کرنے کے لیے اعلان کردہ کم شرح سود اور مراعات جس کے نتیجے میں متوسط طبقے کے معاشرے کے لیے کئی نئے ریٹیل اسٹیٹ پروجیکٹس کی ترقی ہوئی ہے۔ ان اقدامات کا 22HFY21 میں بھی دیکھائی دینے کی امید ہے۔ یہ بات قابل ذکر ہے کہ مقامی اور بیرون ملک پاکستانیوں سے سرمائے کی آمد کے ساتھ، ریٹیل اسٹیٹ اپنے منافع اور فوائد کی وجہ سے سب سے زیادہ منافع بخش شعبہ ثابت ہوا ہے۔

کھنی کا مستقبل کا منظر

ریگولیری کارڈوں کی وجہ سے پہلے دو ترقیاتی منصوبوں کی پیشرفت پر کاروبار کے لیے سرمایہ ایک چیلنجنگ رہی، جس نے دسمبر میں پروگرام ریگولیشن شروع کی۔ دن ہو چکے ہیں ابتدائی اور تحفظاتی کاموں کا آغاز کیا گیا جس کے اہم کام آئی ایم ایف کے آخر تک شروع ہونے کی توقع ہے۔ کھینا لوبی پارک کے لیے اجلاس کھینا لوبی زون کے لائسنس کی درخواست جمع کرانی گئی اور اٹھارہ کی جانب سے اب تک مثبت جواب دیا گیا ہے۔ اس سے پروجیکٹ کے منافع کو مزید بہتر بنانے میں مدد ملے گی۔ منگروو (کورنگی میں 140 ہیکٹرز) پر ترقیاتی کام بھی شروع ہے، جہاں سے ماسٹر پلاننگ کا عمل آگے بڑھ رہا ہے۔

کمپنی کی مکمل ملکیت ذیلی کمپنی TPL RMC Ltd نے پاکستان کے سپیلے ہابز REIT فنڈ کے لیے SECP کی منظوری حاصل کر لی ہے۔ سپیلے اختتام کے لیے مالی مزائم موصول ہو گئے ہیں اور توقع ہے کہ فنڈ باضابطہ طور پر H2FY22 کے اندر قائم ہو جائے گا۔

جیسا کہ شیئر ہولڈرز کو ہماری سالانہ رپورٹ میں بیان کیا گیا ہے، TPL پراپرٹیز کی طویل مدتی ویلیو تخلیق ابھرتے ہوئے کاروباری ڈھانچے کے ساتھ واضح ہو جائے گی۔ TPL پراپرٹیز، TPL REIT فنڈ 1 کی تشکیل کے بعد، اس کے کاروباری ماڈل کے طور پر چار بنیادی ستون ہوں گے۔ سب سے پہلے، یہ زمین کی شراکت اور آج تک تیار کیے گئے پراجیکٹ کی بنیاد پر REIT کے ایک اہم حصے کا مالک ہوگا۔ یہ REIT آنے والے سالوں میں کمپنی کو ڈیویڈنڈ فراہم کرے گا۔ دوسری بات یہ کہ وہ ان ٹینٹوں پراجیکٹس پر مزید ترقی جاری رکھے گا جس کے لیے وہ ترقیاتی فیس وصول کرے گا۔ تیسرا، RMC کے مالک کے طور پر اسے منافع ملے گا کیونکہ آراہمی REIT کے لیے انتظامی فیس وصول کرتا ہے۔ آخر میں، یہ TPL پراپرٹی مینجمنٹ سروسز کی کلیت جاری رکھے گا جس کے تحت مستقل میں مزید پراجیکٹس کمپنی کو اضافی آمدنی فراہم کریں گے۔

مالیاتی کارکردگی

انفرادی کارکردگی

کمپنی کی انفرادی کارکردگی کے مختصر نتائج مندرجہ ذیل ہیں:

تفصیل	31 دسمبر 2021 (خیر نظر ثانی شدہ) روپے	31 دسمبر 2020 (خیر نظر ثانی شدہ) روپے
آمدنی	23,901,993	179,460,754
مجموعی منافع	23,841,247	172,815,322
نگیس سے قبل منافع (انقصان)	(70,688,350)	(4,326,660)
نگیس کے بعد منافع (انقصان)	(72,222,526)	5,762,635
آؤٹ سٹینڈنگ حصص کی تعداد	392,871,728	327,393,106
(انقصان) آمدنی فی شیئر نگیس سے قبل	(0.18)	(0.01)
(انقصان) آمدنی فی شیئر نگیس کے بعد	(0.18)	0.02

کمپنی نے سبٹریو پوائنٹ کی فروخت کے بعد آمدنی میں کمی کے نتیجے میں نگیس کے بعد 72.22 ملین روپے کا معمولی نقصان درج کیا۔ تاہم کمپنی REIT کو SPVs کی منتقلی اور ٹینٹوں پراجیکٹس پر توجہ شروع ہونے کے بعد کسٹومل گین اور ڈیولپمنٹ چارجز کے ذریعے منافع کی توقع رکھتی ہے۔

مجموعی کارکردگی

کمپنی کی مجموعی کارکردگی کے مختصر نتائج مندرجہ ذیل ہیں:

تفصیل	31 دسمبر 2021 (خیر نظر ثانی شدہ) روپے	31 دسمبر 2020 (خیر نظر ثانی شدہ) روپے
آمدنی	31,401,993	280,410,455
مجموعی منافع	31,341,247	199,502,936
نگیس سے قبل منافع (انقصان)	3,479,860,792	(14,772,039)
نگیس کے بعد منافع (انقصان)	3,476,863,593	(8,434,280)
آؤٹ سٹینڈنگ حصص کی تعداد	392,871,727	327,393,106
(انقصان) آمدنی فی شیئر نگیس سے قبل	10.30	(0.04)
(انقصان) آمدنی فی شیئر نگیس کے بعد	10.30	(0.02)

کیٹنا کوئی پابک اور بینگور پری ویلیو ایٹس گین مجموعی منافع کی اہم وجوہات ہیں انفرادی مالیات میں وضاحت سے بیان کی گئیں۔ REIT فنڈ کو SPVs منتقل ہو جانے کے بعد انفرادی مالیات میں اس





کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے TPL پر اپریل 2021ء (TPL) کی طویل مدتی اور قلیل مدتی ریٹنگ کو باترتیب "A+" (سنگل A پلس) اور "A1" (دون A) پر مستحکم نقطہ نظر کے ساتھ برقرار رکھا ہے۔ یہ درجہ بندی مالیاتی وعدوں کی بروقت ادائیگی کے لیے مضبوط صلاحیت سے پیدا ہونے والے کریڈٹ رسک کی کم از کم توقع کو ظاہر کرتی ہے۔

اعتراف

ہم پیشہ ورانہ مہارت، تخلیقی صلاحیتوں اور تمام فنکشنل شعبوں میں مسلسل بہتری اور پائیدار ترقی کے لیے تمام وسائل کے موثر استعمال کی وجہ سے مؤثر انداز میں کام کرنے میں کامیاب رہے ہیں۔ ہم کھپنی کے ملازمین کی جانب سے مختلف سطحوں پر کی گئی شرکت اور بڑے عزم و جدت کو سراہتے ہیں۔ سب سے بڑھ کر ہم سرمایہ کاروں، گراہندگان، بینکاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کی جانب سے ملنے والی مسلسل مدد و معاونت کے لیے شکرگزار ہوا کرتے ہیں۔


جلیل یوسف احمد ایس۔ ایس ٹی
چیئر مین


علی جیلانی
چیف ایگزیکٹو آفیسر



INDEPENDENT AUDITORS' REVIEW REPORT

To the members of TPL Properties Limited

Report on review of Condensed interim Financial Statements



EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

UAN: +9221 111 11 39 37 (EYFR)
Tel: +9221 3565 0007-11
Fax: +9221 3568 1965
ey.khi@pk.ey.com
ey.com/pk

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of TPL Properties Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of TPL Properties Limited as at 31 December 2021 and the related condensed interim unconsolidated statement of profit or loss and other comprehensive income, condensed interim unconsolidated statement of changes in equity, and condensed interim unconsolidated statement of cash flows, and notes to the financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim unconsolidated statement of profit or loss and other comprehensive income for the three months period ended 31 December 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended 31 December 2021.

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 statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

The engagement partner on the review resulting in this independent auditors' review report is Shaikh Ahmed Salman.

Chartered Accountants

Place: Karachi

Date: 28 February 2022

UDIN Number: RR2021100761Jbfi8NYX



Condensed Interim Unconsolidated Statement of Financial Position


As at December 31, 2021 (Un-audited)

		December 31, 2021	June 30, 2021
		(Un-audited)	(Audited)
		----- Rupees -----	
ASSETS			
NON-CURRENT ASSETS			
Operating fixed assets	3	189,726,282	62,236,754
Intangible asset		226,325	301,373
Long-term investments	4	401,100,000	2,130,824,800
Long-term loans to subsidiaries	5	813,430,817	875,543,424
Long-term deposits		3,786,919	2,786,919
Accrued interest		190,973,638	150,464,515
		1,599,243,981	3,222,157,785
CURRENT ASSETS			
Receivables from tenants	6	121,335,391	108,399,924
Loans, advances, prepayments and other receivables		984,805,258	1,914,741,326
Due from related parties	7	55,439,478	69,278,345
Taxation - net		91,926,689	81,857,506
Short-term investments	8	254,073	168,542,925
Cash and bank balances	9	2,001,806,558	1,936,163,396
		3,255,567,447	4,278,983,422
Non-current asset held for sale	4	4,858,724,800	-
		9,713,536,228	7,501,141,207
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL			
Authorized capital			
400,000,000 (June 30, 2021: 400,000,000) ordinary shares of Rs.10/- each		4,000,000,000	4,000,000,000
Issued, subscribed and paid-up capital		3,928,717,276	3,273,931,063
Capital reserve		(257,620,756)	(324,405,756)
Revenue reserve		1,950,384,330	2,677,393,069
		5,621,480,850	5,626,918,376
NON-CURRENT LIABILITIES			
Long-term financing	10	97,275,917	1,046,570,401
Gas Infrastructure Development Cess (GIDC) liability		-	19,579,594
		97,275,917	1,066,149,995
CURRENT LIABILITIES			
Trade and other payables	11	31,019,163	201,679,444
Due to related parties	12	30,553,347	2,169,130
Accrued mark-up		86,872,505	42,856,309
Short-term borrowings	13	2,275,000,000	-
Current portion of long-term financing	10	1,549,725,621	549,725,621
Current portion of GIDC liability		21,608,825	11,642,332
		3,994,779,461	808,072,836
CONTINGENCIES AND COMMITMENTS			
	14		
TOTAL EQUITY AND LIABILITIES		9,713,536,228	7,501,141,207

The annexed notes from 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Chief Financial Officer


Director

Condensed Interim Unconsolidated Statement of Profit & Loss Account and Other Comprehensive Income

For the half year ended December 31, 2021 (Un-audited)

	Note	For the half year ended		For the quarter ended	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
		----- Rupees -----		----- Rupees -----	
Income	15	23,901,993	179,460,754	12,292,767	59,617,026
Direct operating costs		(60,746)	(6,645,432)	(37,001)	(2,797,795)
Gross profit		23,841,247	172,815,322	12,255,766	56,819,231
Administrative and general expenses	16	(140,983,220)	(69,320,892)	(119,406,945)	(39,893,152)
Finance costs	17	(74,100,959)	(172,691,000)	(39,194,556)	(74,950,704)
Other income	18	120,554,582	64,869,910	76,841,017	51,158,178
Loss before taxation		(70,688,350)	(4,326,660)	(69,504,718)	(6,866,447)
Taxation	19	(1,534,176)	10,089,295	(311,500)	11,886,951
(Loss) / profit after taxation		(72,222,526)	5,762,635	(69,816,218)	5,020,504
Other comprehensive income for the period		-	-	-	-
Total comprehensive (loss) / income for the period		(72,222,526)	5,762,635	(69,816,218)	5,020,504
(Loss) / earnings per share - basic and diluted		(0.18)	0.02	(0.18)	0.02

The annexed notes from 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Chief Financial Officer


Director

Condensed Interim Unconsolidated Statement of Changes in Equity

For the half year ended December 31, 2021 (Un-audited)

	Capital reserves				Revenue reserve		
	Issued, subscribed and paid up capital	Share premium account	Reserve under scheme of amalgamation	Other Capital Reserves	Accumulated profits		
					Total	Total	
----- (Rupees) -----							
Balance at July 01, 2020 (Audited)	3,273,931,060	21,746,165	-	-	21,746,165	3,292,202,994	6,587,880,219
Profit for the period	-	-	-	-	-	338,772,915	338,772,915
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	338,772,915	338,772,915
Balance at December 31, 2020 (Un-audited)	<u>3,273,931,060</u>	<u>21,746,165</u>	<u>-</u>	<u>-</u>	<u>21,746,165</u>	<u>3,630,975,909</u>	<u>6,926,653,134</u>
Balance at July 01, 2021 (Audited)	3,273,931,060	21,746,165	(426,591,918)	80,440,000	(324,405,756)	2,677,393,069	5,626,918,376
Profit for the period	-	-	-	-	-	(72,222,526)	(72,222,526)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(72,222,526)	(72,222,526)
Bonus shares issued	654,786,213	-	-	-	-	(654,786,213)	-
Share based payments reserve	-	-	-	66,785,000	66,785,000	-	66,785,000
Balance at December 31, 2021 (Un-audited)	<u>3,928,717,276</u>	<u>21,746,165</u>	<u>(426,591,918)</u>	<u>147,225,000</u>	<u>(257,620,756)</u>	<u>1,950,384,330</u>	<u>5,621,480,850</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Chief Financial Officer


Director

Condensed Interim Unconsolidated Statement of Cash Flow

For the half year ended December 31, 2021 (Un-audited)

	Note	For the half year ended	
		December 31, 2021	December 31, 2020
----- Rupees -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(70,688,350)	(4,326,660)
Adjustments for non-cash items			
Depreciation		17,834,833	1,518,358
Amortization		75,048	75,345
Finance costs	17	74,100,959	172,691,000
Reversal of provision on Gas Infrastructure Development Cess (GIDC)	18	-	(26,515,701)
Amortisation of GIDC liability		4,675,199	-
Provision for Employee Share Options		66,785,000	-
Profit on saving accounts	18	(79,788,464)	(5,058,851)
(Gain) / loss on disposal of mutual funds	18	(247,362)	2,267,255
Un-realised gain on investments in mutual funds	18	(9,633)	-
Interest on long-term loans to subsidiaries	18	(40,509,123)	(25,629,372)
Fair value gain on non-current asset held for sale	18	-	(9,933,241)
		42,916,457	109,414,793
Working capital changes			
Decrease / (increase) in current assets			
Tools		-	669,852
Receivables from tenants		(12,935,467)	(74,694,797)
Short-term investments		-	(826,946,186)
Loans, advances, prepayments and other receivables		339,987,629	(147,226,664)
Due from related parties		13,838,867	(31,427,003)
		340,891,029	(1,079,624,798)
Decrease in current liabilities			
Trade and other payables		(170,660,281)	(54,170,653)
Advances from tenants		-	(122,510,457)
Due to related parties		28,384,217	(22,046,018)
		(142,276,064)	(198,727,128)
Cash flows generated from / (used in) operations		170,843,072	(1,173,263,793)
Long-term deposits paid		(1,000,000)	-
GIDC installments paid		(14,288,300)	(4,850,975)
Finance costs paid		(30,084,763)	(200,512,329)
Profit on saving accounts received		79,788,464	5,058,851
Income tax (paid) / refunded		(11,603,359)	15,916,417
Net cash flows generated from / (used in) operating activities		193,655,114	(1,357,651,829)
CASH FLOWS FROM INVESTING ACTIVITIES*			
Purchase of operating fixed assets	3.1	(145,324,361)	(1,336,292)
Expenditure incurred on non-current asset held for sale / investment properties		-	(13,204,259)
Advance against sale		-	775,000,000
Long-term investments made		(2,380,000,000)	-
Loans to subsidiaries - net		(96,938,954)	(372,698,751)
Purchase of short-term investments		(16,305,080)	-
Proceeds from disposal of short-term investments		34,395,496	-
Net cash flows (used in) / generated from investing activities		(2,604,172,899)	387,760,698
CASH FLOWS FROM FINANCING ACTIVITIES*			
Long-term financing - net		50,705,516	1,283,435
Short-term borrowings		2,275,000,000	940,250,000
Net cash flows generated from financing activities		2,325,705,516	941,533,435
Net decrease in cash and cash equivalents		(84,812,269)	(28,357,696)
Cash and cash equivalents at the beginning of the period		2,086,618,827	225,132,134
Cash and cash equivalents at the end of the period		2,001,806,558	196,774,438

*No non-cash items are included in these investing and financing activities

The annexed notes from 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Chief Financial Officer


Director

Notes to the Condensed Interim Unconsolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

1 LEGAL STATUS AND OPERATIONS

- 1.1 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)]. Subsequently in 2016, the 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 Company is to invest, purchase, develop and build real estate and to sell, rent out or otherwise dispose of in any manner the real estate including commercial and residential buildings, houses, shops, plots or other premises. During the period, the registered office of the Company was changed to 20th Floor, Sky Tower, East Wing, Dolmen City, HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi effective from 29 October 2021. Previously, the registered office of the Company was situated at Centrepoint Building, Off Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi. TPL Corp Limited and TPL Holdings (Private) Limited are the parent and ultimate parent company respectively, as of reporting date.
- 1.2 These condensed interim unconsolidated financial statements are the separate financial statements of the Company, in which investment in the subsidiary companies have been accounted for at cost less accumulated impairment losses, if any.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim unconsolidated financial statements of the Company for the half year ended December 31, 2021 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 Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS), issued by the Institute of Chartered Accountants of Pakistan (ICAP) 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.

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 unconsolidated financial statements of the Company for the year ended June 30, 2021.

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.

The figures of the condensed interim unconsolidated statement of profit or loss and condensed interim unconsolidated statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 and notes forming part thereof have not been reviewed by the statutory auditors of the Company, as they have reviewed the cumulative figures for the six months ended December 31, 2021 and December 31, 2020.

2.2 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, 2021, 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:

Notes to the Condensed Interim Unconsolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

2.2.1 Adoption of amendments to accounting standards and framework for financial reporting effective during the period.

The Company has adopted the following amendments of IFRSs and the framework for financial reporting which became effective for the current period:

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform - Phase 2 (Amendment)

IFRS 16 - Covid-19-Related Rent Concessions beyond June 30, 2021 (Amendments)

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

2.3 Accounting estimates and judgements

The preparation of condensed interim unconsolidated financial statements is in conformity with the approved accounting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgements that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Estimates and judgements made by management in the preparation of these condensed interim unconsolidated financial statements are the same as those that were applied to the annual unconsolidated financial statements of the Company for the year ended June 30, 2021.

The Company's financial risk management objectives and policies are also consistent with those disclosed in the annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2021.

		December 31, 2021	June 30, 2021
		(Un-audited)	(Audited)
		----- Rupees -----	
3 OPERATING FIXED ASSETS	Note		
Operating fixed assets	3.1	189,726,282	62,236,754
3.1 The movement in property and equipment during the period / year is as follows:			
Opening balance - at written down value (WDV)		62,236,754	3,885,426
Additions during the period / year	3.1.1	145,324,361	65,927,039
Depreciation charge for the period / year	3.1.2	(17,834,833)	(7,575,711)
Closing balance - at WDV		189,726,282	62,236,754
3.1.1 Additions during the period / year comprise of the following:			
- Furniture		33,786,932	754,978
- Equipment		2,819,084	-
- Vehicles		105,262,967	64,350,040
- Computer and accessories		3,387,378	712,021
- Mobile phones		68,000	110,000
		145,324,361	65,927,039

3.1.2 Depreciation charge for the period has been allocated to administrative and general expenses.

Notes to the Condensed Interim Unconsolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
----- Rupees -----		
4 LONG-TERM INVESTMENTS		
Investments in subsidiary companies - at cost		
HKC (Private) Limited [HKC]	708,724,800	708,724,800
TPL REIT Management Company Limited [TPL REIT]		
40,000,000 (June 30, 2021: 5,000,000) ordinary shares of Rs.10/- each	400,000,000	50,000,000
Advance for future issue of shares	-	350,000,000
4.1	400,000,000	400,000,000
TPL Technology Zone Phase-1 (Private) Limited (formerly G-18 (Private) Limited) [TPL TZ]	750,000,000	1,000,000
4.2	1,000,000	1,000,000
TPL Property Management (Private) Limited [TPL PM]	100,000	100,000
TPL Logistic Park (Private) Limited [TPL LP]	3,400,000,000	1,020,000,000
4.3		
National Management & Consultancy Services Private Limited [NMC]	(4,858,724,800)	-
4.4	401,100,000	2,130,824,800
Less: Non-current assets held for sale		
	401,100,000	2,130,824,800

4.1 During the period, 35,000,000 ordinary shares were issued against advance of Rs. 350 million given in June 30, 2021. As of reporting date, the Company holds 40,000,000 (June 30, 2021: 5,000,000) ordinary shares of Rs.10 each, representing 99.99 percent (June 30, 2021: 99.99 percent) of the share capital of TPL REIT.

4.2 During the period, the Company further acquired 74,900,000 ordinary shares of TPL TZ against the settlement of loan receivable. As of reporting date, the Company holds 75,000,000 (June 30, 2021: 1,000,000) ordinary shares of Rs.10 each.

4.3 The Company acquired 475,000 ordinary shares of Rs.100 each in accordance with the share purchase agreement dated March 30, 2021, with the shareholders of NMC at a price of Rs.7,157.89 per share. The shares were issued against advance of Rs.1,020,000,000 given in June 30, 2021 and further payment of Rs.2,380,000,000 during the period.

4.4 During the period, the Board of Directors in their meeting held on September 10, 2021 were presented the special business for recommending to shareholder's approval for the transfer of its subsidiaries namely HKC, TPL TZ and NMC to TPL REIT Fund (the REIT Fund) in lieu of units to hold strategic shareholding in the REIT Fund. The transaction is subject to execution of appropriate legal agreements, completion of necessary formalities and obtaining of all necessary approvals and consents, including shareholder's approval, which the management expects will be culminated within a period of one year, accordingly these investments are classified under IFRS 5 Non current Assets Held for Sale and Discontinued Operations.

	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
----- Rupees -----		
5 LONG-TERM LOAN TO SUBSIDIARIES – unsecured, considered good		
HKC (Private) Limited	782,435,087	875,543,424
5.1		
National Management & Consultancy Services Private Limited [NMC]	30,995,730	-
5.2	813,430,817	875,543,424

Notes to the Condensed Interim Unconsolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

- 5.1 There are no material changes in the terms and conditions as disclosed in the annual financial statements of the Company for the year ended June 30, 2021.
- 5.2 During the period, the Company entered into an agreement with NMC, a subsidiary company, dated December 31, 2021, for granting unsecured loan facility amount of upto Rs.250 million, it is repayable on or before December 31, 2023. The purpose of the loan is to finance the construction of new project requiring construction and design expenses.

6	RECEIVABLES FROM TENANTS – unsecured, considered good	Note	December 31, 2021	June 30, 2021
			(Un-audited)	(Audited)
			----- Rupees -----	
	Rent		87,934,509	74,999,042
	Services		36,100,508	36,100,508
	Others		334,257	334,257
			124,369,274	111,433,807
	Less: Allowance for expected credit losses		(3,033,883)	(3,033,883)
			121,335,391	108,399,924
6.1	Includes receivable from the following related parties:			
	TPL Corp Limited		61,866,646	46,387,678
	TPL Trakker Limited		57,978,455	57,978,455
	TPL Insurance Limited		152,643	152,643
	TPL Logistics Private Limited		3,390	3,390
			120,001,134	104,522,166
7	DUE FROM RELATED PARTIES – unsecured, considered good			
	Parent company			
	TPL Corp Limited		-	6,492,863
	Subsidiary companies			
	TPL REIT Management Company Limited		-	5,583,879
	TPL Logistic Park (Private) Limited		12,323	12,323
	TPL Property Management (Private) Limited		48,480,534	43,962,253
			48,492,857	49,558,455
	Associated companies			
	TPL Security Services (Private) Limited		14,506	8,117,927
	TPL Insurance Limited		647,998	286,522
	TPL Life Insurance Limited		6,284,117	4,822,578
		7.1	55,439,478	69,278,345

- 7.1 There are no material changes in the terms and conditions as disclosed in the annual financial statements of the Company for the year ended June 30, 2021.

Notes to the Condensed Interim Unconsolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

8	SHORT-TERM INVESTMENTS	Note	December 31, 2021	June 30, 2021
			(Un-audited)	(Audited)
			----- Rupees -----	
	Investment in mutual funds (designated at fair value through profit or loss)	9.1	254,073	18,087,494
	Term deposit receipts		-	150,455,431
			<u>254,073</u>	<u>168,542,925</u>

8.1 Investments in Mutual Funds - at fair value through profit or loss

December 31, 2021	June 30, 2021	Name of Mutual Fund	December 31, 2021		June 30, 2021	
			Carrying Value	Fair Value	Carrying Value	Fair Value
		Number of Units				
-	1,069	AKD Aggressive Income Fund	-	-	55,090	54,684
4,631	4,631	PakOman Advantage Islamic Income Fund	256,691	254,073	256,691	244,440
-	130,112	AKD Opportunity Fund	-	-	16,390,536	17,788,370
<u>4,631</u>	<u>135,812</u>		<u>256,691</u>	<u>254,073</u>	<u>16,702,317</u>	<u>18,087,494</u>

9	CASH AND BANK BALANCES	Note	December 31, 2021	June 30, 2021
			(Un-audited)	(Audited)
			----- Rupees -----	
	Cash in hand		-	115,311
	Cash at banks in local currency			
	- current accounts		323,424,286	654,722,587
	- saving accounts	9.1	1,678,382,272	1,281,325,498
			<u>2,001,806,558</u>	<u>1,936,048,085</u>
			<u>2,001,806,558</u>	<u>1,936,163,396</u>

9.1 Included herein a deposit of Rs. 1.5 billion placed with a commercial bank carrying mark-up ranging 7.25 percent to 9.46 percent. Other balances carry mark-up ranging from 9.25 percent to 10.25 percent (June 30, 2021: 5.5 percent to 8.06 percent) per annum.

10	LONG-TERM FINANCING	Note	December 31, 2021	June 30, 2021
			(Un-audited)	(Audited)
			----- Rupees -----	
	JS Bank Limited - payroll financing		14,592,665	21,888,997
	Diminishing Musharaka facility - I		-	25,960,825
	Diminishing Musharaka facility - II	10.2	132,408,873	48,446,200
	Habib Metro Bank Limited		1,000,000,000	1,000,000,000
	Soneri Bank Limited		500,000,000	500,000,000
			<u>1,647,001,538</u>	<u>1,596,296,022</u>
	Less: current maturity	10.1	<u>(1,549,725,621)</u>	<u>(549,725,621)</u>
			<u>97,275,917</u>	<u>1,046,570,401</u>

Notes to the Condensed Interim Unconsolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

10.1 There are no material changes in the terms and conditions as disclosed in the annual financial statements of the Company for the year ended June 30, 2021, except as disclosed in note 10.2 to these condensed interim unconsolidated financial statements.

10.2 During the period, the Company had entered into agreement with commercial bank dated July 30, 2021 for extending the existing diminishing musharaka facility for the purpose of purchasing new imported vehicle operating lease amounting to Rs. 177 million. The amount received is repayable in equal quarterly installments over a period of 5 years at mark-up of 3 months KIBOR plus 1.90% per annum. The facility has been secured against the following:

- Title and ownership of DM assets under HPA/ Lien marking in favor of the bank with excise and taxation authority (motor / vehicles); and
- Minimum 12.11% equity contribution made by the Company towards the price of DM Asset.

		December 31, 2021	June 30, 2021
		(Un-audited)	(Audited)
		----- Rupees -----	
11	TRADE AND OTHER PAYABLES	Note	
	Creditors	9,939,207	1,915,563
	Accrued liabilities	8,209,967	189,376,932
	Retention money	609,251	609,251
	Payable to employees fund	2,453,030	2,002,638
	Withholding income tax payable	9,807,708	7,775,060
		<u>31,019,163</u>	<u>201,679,444</u>
12	DUE TO RELATED PARTIES - unsecured		
	Parent company		
	TPL Corp Limited	24,644,538	-
	Subsidiary company		
	TPL REIT Management Company Limited	1,883,727	-
	Associated company		
	TPL Trakker Limited	4,025,082	2,169,130
		<u>30,553,347</u>	<u>2,169,130</u>

12.1 There are no material changes in the terms and conditions as disclosed in the annual financial statements of the Company for the year ended June 30, 2021.

		December 31, 2021	June 30, 2021
		(Un-audited)	(Audited)
		----- Rupees -----	
13	SHORT-TERM BORROWINGS	Note	
	Habib Metro Bank Limited	500,000,000	-
	Soneri Bank Limited	500,000,000	-
	The Bank of Punjab	1,275,000,000	-
		<u>2,275,000,000</u>	<u>-</u>

Notes to the Condensed Interim Unconsolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

13.1 During the period, the Company has entered into an agreement with a commercial bank dated December 17, 2021, for raising additional financing of Rs. 500 million. The facility is repayable in six months from the date of disbursement at mark-up of 6 months KIBOR + 1.75%. The purpose of the loan is to partially fund the acquisition of NMC.

The additional facility is secured against the following:

- Charge on long-term investment of the Company in favour of Security Trustee amounting to Rs. 2.130 billion; and
- First charge on Fixed Assets of NMC in favour of Security Trustee with 25% margin.

13.2 During the period, the Company has obtained demand finance facility amounting to Rs. 500 million from a commercial bank through an agreement dated December 03, 2021. The purpose of availing the facility is to bridge the gap of funding till issuance of REIT to support project financing on property Korangi 40 acres - residential / commercial / hospitality / clubs and other amenities. The amount received is repayable on or before June 30, 2022 at mark-up of 3 months KIBOR + 1.50% per annum. The facility has been secured against the following:

- Pledge of shares of group companies i.e. TPL Corp Limited, TPL Trakker Limited and TPL Insurance Limited under CDC in favour of the bank with 40% margin to be owned by director/ group concern (as an interim arrangement).

13.3 During the period, the Company has entered into a short term bridge finance facility amounting to Rs. 1,275 million from a commercial bank through an agreement dated December 17, 2021. The purpose of availing the facility is to fund the acquisition of NMC along with all the assets. The amount received is repayable on or before June 30, 2022 at mark-up of 6 months KIBOR + 1.50% per annum. The facility has been secured against the following:

- First exclusive charge on long-term investment of the Company in favour of Security Trustee with 25% margin;
- First exclusive charge on fixed assets (including 40 acres land) of NMC in favour of Security Trustee with 25% margin; and
- Existing security of TPL TZ to be tagged at least till the perfection of new / proposed security of the Company.

14 CONTINGENCIES AND COMMITMENTS

As of the reporting date, there are no material changes in the status of contingencies and commitments as reported in annual financial statements for the year ended June 30, 2021.

	For the half year ended		For the quarter ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	----- Rupees -----		----- Rupees -----	
15 INCOME				
Rental income	23,901,993	166,283,906	12,292,767	53,028,602
IT Services	-	13,176,848	-	6,588,424
	<u>23,901,993</u>	<u>179,460,754</u>	<u>12,292,767</u>	<u>59,617,026</u>

16 ADMINISTRATIVE AND GENERAL EXPENSES

Administrative and general expenses mainly include salaries, wages and other benefits amounting to Rs. 79.553 million (December 31, 2021: Rs. 20.686 million).



Notes to the Condensed Interim Unconsolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

	For the half year ended		For the quarter ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	----- Rupees -----		----- Rupees -----	
17 FINANCE COSTS				
Mark-up on:				
- long-term financing	68,196,657	154,054,736	35,765,972	64,120,933
- assets under Diminishing Musharaka Arrangement	5,649,954	-	3,228,386	-
- short-term borrowings	-	18,369,534	-	10,586,859
	73,846,611	172,424,270	38,994,358	74,707,792
Bank charges	254,348	266,730	200,198	242,912
	74,100,959	172,691,000	39,194,556	74,950,704
18 OTHER INCOME				
Income from financial assets				
Profit on saving accounts	79,788,464	5,058,851	51,074,909	2,600,113
Interest on long-term loans to subsidiaries	40,509,123	25,629,372	25,509,113	12,814,686
Un-realised gain on investments in mutual funds	9,633	-	9,633	-
Realised gain / (loss) on sale of investment in mutual fund	247,362	(2,267,255)	247,362	(705,563)
	120,554,582	28,420,968	76,841,017	14,709,236
Income from non-financial assets				
Fair value gain on non-current asset held for sale	-	9,933,241	-	9,933,241
Reversal of provision for GIDC	-	26,515,701	-	26,515,701
	-	36,448,942	-	36,448,942
	120,554,582	64,869,910	76,841,017	51,158,178
19 TAXATION				
Current	1,534,176	5,719,380	311,500	3,921,724
Deferred	-	(15,808,675)	-	(15,808,675)
	1,534,176	(10,089,295)	311,500	(11,886,951)

19.1 There have been no major changes in the tax contingencies as disclosed in the annual financial statements of the Company for the year ended June 30, 2021.

20 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of the Ultimate Parent Company, Parent Company, subsidiaries, associates, directors, major shareholders, key management personnel and staff retirement funds. All the transactions with related parties are entered into at agreed terms as approved by the Board of Directors of the Company. The related parties' status of outstanding receivables and payables, if any, as at December 31, 2021 and June 30, 2021 are disclosed in respective notes to these condensed interim unconsolidated financial statements. 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:

Notes to the Condensed Interim Unconsolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

	For the half year ended	
	December 31, 2021 (Un-audited)	December 31, 2020 (Un-audited)
<u>Subsidiary Companies</u>	----- Rupees -----	
TPL Property Management (Private) Limited [TPL PM]		
Expenses paid by the Company on behalf of TPL PM	134,518,281	88,543,591
Payment received from TPL PM on account of expenses	130,000,000	62,238,038
HKC (Private) Limited [HKC]		
Long-term loan repaid by HKC during the period	167,232,499	-
Long-term loan given by Company during the period	74,124,162	253,598,751
Mark-up on long-term loan	40,509,123	25,629,372
TPL Logistic Park (Private) Limited [TPL LP]		
Expenses paid by the Company on behalf of TPL LP	-	265,900
Long-term loan given by Company during the period	131,234,132	-
TPL Technology Zone Phase-1 (Private) Limited (formerly G-18 (Private) Limited) [TPL TZ]		
Loan received from the Company by TPL TZ	27,817,429	119,100,000
Loan converted to equity	749,000,000	-
Expenses paid by the Company on behalf of TPL TZ	-	474,518
TPL REIT Management Company Limited [TPL REIT]		
Expenses incurred/ paid by TPL REIT on behalf of the Company	7,467,606	577,000
National Management & Consultancy Services Private Limited [NMC]		
Long-term loan given by Company during the period	30,995,730	-
The Parent Company		
TPL Corp Limited [TCL]		
Expenses incurred / paid by the Company on behalf of TCL	4,620,489	48,459
Expenses incurred/ paid by TCL on behalf of the Company	62,202,961	34,568,450
Services acquired by TCL	15,478,968	23,193,839
Amount paid by the Company against expenses	26,445,071	76,800,000
TPL Trakker Limited [TTL]		
Expenses incurred / paid by TTL on behalf of the Company	2,925,761	10,760,072
Expenses incurred / paid by the Company on behalf of TTL	1,069,809	482,216
Amount paid by the Company against expenses	-	16,500,233
Services acquired by TTL	-	21,269,390
TPL Insurance Limited [TIL]		
Expenses incurred / paid by TIL on behalf of the Company	-	7,182
Expenses paid by the Company on behalf of TIL	361,476	78,125
Advance transferred to TPLPM on account of maintenance and other services to TIL	-	5,124,033
Services acquired by TIL	-	13,474,884

Notes to the Condensed Interim Unconsolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

	For the half year ended	
	December 31, 2021 (Un-audited)	December 31, 2020 (Un-audited)
	----- Rupees -----	
TPL Life Insurance Limited [TLI]		
Services acquired by the Company	2,927,801	2,818,202
Expenses paid by the Company on behalf of TLI	2,389,340	1,707,978
Payment made by the Company	2,000,000	2,818,202
Amount received from TLI against expenses	-	65,410
TPL Security Services (Private) Limited [TSS]		
Payment made by the Company	8,103,421	17,540,100
Expenses paid by the Company on behalf of TSS	-	681,745
Staff retirement benefit fund		
TPL Properties Limited – Provident fund		
Employer contribution	524,196	2,538,213
Key management personnel		
Remuneration paid	6,908,798	11,286,000
Post-employment benefits	149,670	415,800

21 FAIR VALUE OF FINANCIAL INSTRUMENTS

Investment in mutual funds designated at fair value through profit or loss are categorized as Level 2 on the fair value hierarchy. There were no transfers amongst levels during the period.

The market prices of mutual fund units are based on the declared Net Asset Values (NAV) on which redemptions can be made. NAVs have been obtained from Mutual Fund Association of Pakistan (MUFAP).

22 DATE OF AUTHORISATION

These condensed interim unconsolidated financial statements were authorized for issue on 25 February, 2022 by the Board of Directors of the Company.

23 GENERAL

23.1 Corresponding figures have been reclassified for the purpose of better presentation and comparison, wherever necessary. However, there are no material reclassifications to report.

23.2 All figures have been rounded off to the nearest rupee, unless otherwise stated.


Chief Executive Officer


Chief Financial Officer


Director

Condensed Interim Consolidated Statement of Financial Position


As at December 31, 2021 (Un-audited)

		December 31, 2021	June 30, 2021
	Note	----- Rupees -----	
		(Unaudited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Operating fixed assets	3	190,135,506	62,528,835
Intangible assets		383,762	500,249
Investment property	4	8,913,857,394	1,470,752,861
Development property		1,967,861,288	1,833,175,473
Advance against future issuance of shares	5	600,000,000	1,620,000,000
Long-term deposits	6	3,786,919	2,786,919
Accrued Interest		5,410,233	13,192
		11,681,435,102	4,989,744,337
CURRENT ASSETS			
Receivables against rent, maintenance and other services	7	195,529,843	166,921,747
Advances and prepayments	8	202,714,049	551,975,863
Due from related parties	9	17,472,908	17,250,225
Taxation - net		95,461,047	81,418,377
Short-term investment		254,102	784,808,221
Other assets		334,550,000	-
Cash and bank balances	10	2,939,495,511	2,953,383,782
		3,785,477,460	4,555,771,407
TOTAL ASSETS		15,466,912,562	9,545,515,744
EQUITY AND LIABILITIES			
SHARE CAPITAL			
Authorised capital			
400,000,000 (2020: 400,000,000) ordinary shares of Rs.10/- each		4,000,000,000	4,000,000,000
Issued, subscribed and paid-up capital	11	3,928,717,273	3,273,931,060
Capital reserve		168,971,165	102,186,165
Revenue reserve		5,604,684,202	2,782,241,900
		9,702,372,640	6,158,359,125
Non-controlling interest		174,737,996	175,102,918
		9,877,110,636	6,333,462,043
NON-CURRENT LIABILITY			
Long-term financing	12	1,372,275,917	2,321,570,401
Gas Infrastructure Development Cess (GIDC) liability		-	19,579,594
CURRENT LIABILITIES			
Trade and other payables	13	65,237,602	65,314,006
Accrued expenses		124,088,458	197,368,134
Due to related parties - unsecured	14	37,220,178	2,169,130
Accrued mark-up	15	144,645,325	44,684,483
Short-term borrowing - secured	16	2,275,000,000	-
Current portion of long-term financing	12	1,549,725,621	549,725,621
Current portion of GIDC Liability		21,608,825	11,642,332
		4,217,526,009	870,903,706
TOTAL EQUITY AND LIABILITIES		15,466,912,562	9,545,515,744

The annexe notes from 1 to 23 form an integral part of these condensed interim consolidated financial statements.


Chief Executive Officer


Chief Financial Officer


Director

Condensed Interim Consolidated Statement of Profit & Loss Account and Other Comprehensive Income

For the half year ended December 31, 2021 (Un-audited)

	Note	For the Half Year ended		For the quarter ended	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
		----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
Revenue from services rendered	15	31,401,993	280,410,455	16,042,767	103,897,391
Direct operating costs	16	(60,746)	(80,907,519)	(37,001)	(36,865,651)
Gross profit		31,341,247	199,502,936	16,005,766	67,031,740
Administrative and general expenses		(172,989,352)	(87,554,330)	(130,911,864)	(49,540,182)
Other income	16	3,695,610,195	46,332,788	3,658,442,032	44,345,391
Finance costs	17	(74,101,298)	(173,053,433)	(39,194,895)	(75,132,450)
(Loss) / Profit before taxation		3,479,860,792	(14,772,039)	3,504,341,039	(13,295,501)
Taxation	18	(2,997,199)	6,337,759	(1,040,885)	10,251,128
(Loss) / Profit for the period		3,476,863,593	(8,434,280)	3,503,300,154	(3,044,373)
Other comprehensive income for the period		-	-	-	-
Total comprehensive (loss) / income for the period		3,476,863,593	(8,434,280)	3,503,300,154	(3,044,373)
Attributable to:					
Owners of the Holding Company		3,477,228,515	(8,303,546)	3,503,300,154	(3,044,373)
Non-controlling interest		(364,922)	(130,734)	-	-
		3,476,863,593	(8,434,280)	3,503,300,154	(3,044,373)
Earnings per share - basic and diluted		10.30	(0.02)	8.92	(0.01)


Chief Executive Officer


Chief Financial Officer


Director



Condensed Interim Consolidated Statement of Changes in Equity

For the half year ended December 31, 2021 (Un-audited)

	Capital reserves			Revenue reserve		Non-controlling interest	Total	
	Issued, subscribed and paid up capital	Share Premium Account	Other Capital Reserves	Total	Accumulated Profit			Total
	(Rupees)							
Balance at June 30, 2020	3,273,931,060	21,746,165	-	21,746,165	3,039,225,919	6,334,903,144	175,481,861	6,510,385,005
Profit for the period	-	-	-	-	70,409,087	70,409,087	-	70,409,087
Dividend payout	-	-	-	-	(327,393,106)	(327,393,106)	-	(327,393,106)
Employee Share Options	-	-	80,440,000	80,440,000	80,440,000	80,440,000	-	80,440,000
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	80,440,000	80,440,000	(256,984,019)	(176,544,019)	-	(176,544,019)
Loss attributable to non-controllable interest for the period	-	-	-	-	-	-	(378,943)	(378,943)
Balance at December 31, 2020	<u>3,273,931,060</u>	<u>21,746,165</u>	<u>80,440,000</u>	<u>102,186,165</u>	<u>2,782,241,900</u>	<u>6,158,359,125</u>	<u>175,102,918</u>	<u>6,333,462,043</u>
Balance at June 30, 2021	3,273,931,060	21,746,165	80,440,000	102,186,165	2,782,241,900	6,158,359,125	175,102,918	6,333,462,043
Profit for the period	-	-	-	-	3,477,228,515	3,477,228,515	-	3,477,228,515
Bonus shares issued	654,786,213	-	-	-	(654,786,213)	-	-	-
Employee Share Options	-	-	66,785,000	66,785,000	-	66,785,000	-	66,785,000
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	654,786,213	-	66,785,000	66,785,000	2,822,442,302	3,544,013,515	-	3,544,013,515
Loss attributable to non-controllable interest for the period	-	-	-	-	-	-	(364,922)	(364,922)
Balance at December 31, 2021	<u>3,928,717,273</u>	<u>21,746,165</u>	<u>147,225,000</u>	<u>168,971,165</u>	<u>5,604,684,202</u>	<u>9,702,372,640</u>	<u>174,737,996</u>	<u>9,877,110,636</u>


Chief Executive Officer


Chief Financial Officer


Director

Condensed Interim Consolidated Statement of Cash Flow

For the half year ended December 31, 2021 (Un-audited)

		December 31, 2021	December 31, 2020
----- Rupees -----			
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
Profit before taxation		3,479,860,792	(14,772,039)
Adjustments for non-cash items			
Depreciation	3	17,479,955	1,552,434
Amortization		116,483	116,780
(Gain) / loss on disposal of mutual funds		3,263,486	-
Finance costs	19	74,101,298	173,053,433
Employee share options		66,785,000	-
Un-realised gain on investments in mutual funds		(802,785)	-
Mark-up on savings account	18	(97,720,598)	(5,351,897)
Fair value gain on investment property	18	(3,600,040,000)	(9,933,241)
		(3,536,817,161)	159,437,509
Working capital changes			
(Increase) / decrease in current assets			
Receivables against rent from tenants		(28,608,096)	(125,877,306)
Tools		-	669,826
Advances and prepayments	8	349,261,814	(147,579,790)
Short-term investment		784,554,119	(830,747,143)
Due from a related party	9	(222,683)	(4,077,831)
Other assets		(334,550,000)	-
		770,435,154	(1,107,612,244)
(Decrease) / increase in current liabilities			
Trade and other payables	13	(74,262,511)	(93,064,855)
Accrued expenses		-	19,382,107
Advance against rent from tenants		-	(117,656,763)
		(74,262,511)	(191,339,511)
Cash generated from operations		639,216,274	(1,154,286,285)
Finance cost paid		25,859,544	(209,027,830)
Long-term deposits paid		(1,000,000)	-
GIDC installments paid		(9,613,101)	-
Markup on savings account received		92,323,557	5,353,058
Income tax paid - <i>net of refund</i>		(17,039,869)	12,968,748
Net cash used in operating activities		729,746,405	(1,344,992,310)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	3	(145,540,891)	(1,522,994)
Additions to development properties	5	(134,685,815)	(249,318,793)
Long-term investment		1,019,900,000	-
Advance against sale of investment property		-	775,000,000
Advance against development property		-	(120,024,000)
Expenditure incurred on investment property	4	(3,843,064,533)	(13,204,259)
Long-term deposits - net	6	(1,000,000)	-
Net cash used in investing activities		(3,104,391,239)	390,929,954
CASH FLOWS FROM FINANCING ACTIVITIES*			
Long-term financing - net	12	50,705,516	6,842,611
Short-term borrowings - net		2,275,000,000	941,480,583
Due to related parties	14	35,051,047	(21,376,193)
Net cash generated from / (used in) financing activities		2,360,756,563	926,947,001
Net increase / (decrease) in cash and cash equivalents		(13,888,271)	(27,115,355)
Cash and cash equivalents at the beginning of the year		2,953,383,782	231,668,157
Cash and cash equivalents at the end of the year	10	2,939,495,511	204,552,802

*No non-cash items are included in these activities


Chief Executive Officer


Chief Financial Officer


Director

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

1. LEGAL STATUS AND OPERATIONS OF THE GROUP

1.1 The Group comprises of TPL Properties Limited [TPLP], its subsidiary companies i.e. TPL Property Management (Private) Limited [TPL PM], HKC (Private) Limited [HKC] and TPL Technology Zone Phase-1 (Pvt) Ltd. [Formerly G-18 (Pvt) Ltd.] [TPL TZ], TPL REIT Management Company Limited [REIT], National Management And Consultancy Services (Pvt) Ltd. and TPL Logistic Park (Pvt) Ltd. that have been consolidated in these consolidated financial statements.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim consolidated financial statements of the Company for the half year ended December 31, 2021 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 Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS), issued by the Institute of Chartered Accountants of Pakistan (ICAP) 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.

These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the unconsolidated financial statements of the Company for the year ended June 30, 2021.

2.2 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, 2021, 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:

2.2.1 Adoption of amendments to accounting standards and framework for financial reporting effective during the period.

The Company has adopted the following amendments of IFRSs and the framework for financial reporting which became effective for the current period:

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform - Phase 2 (Amendment)

IFRS 16 - Covid-19-Related Rent Concessions beyond June 30, 2021 (Amendments)

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

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

2.3 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim consolidated financial statements is in conformity with the approved accounting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgements that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Estimates and judgements made by management in the preparation of these condensed interim consolidated financial statements are the same as those that were applied to the annual consolidated financial statements of the Company for the year ended June 30, 2021.

The Company's financial risk management objectives and policies are also consistent with those disclosed in the annual consolidated financial statements of the Company as at and for the year ended June 30, 2021.

		December 31, 2021	June 30, 2021
		----- Rupees -----	
3	PROPERTY, PLANT AND EQUIPMENT	Note	
	The movement in property, plant and equipment during the period / year are as follows:		
	Opening balance	62,528,835	3,885,426
	Add: Additions during the period	145,540,891	66,310,729
	Less: Disposals during the period / year	-	(3,597,783)
		208,069,726	66,598,372
	Less: Depreciation Charge for the period	(17,934,220)	(4,069,537)
	Operating fixed assets (WDV)	190,135,506	62,528,835
	Additions / Disposals during the period		
	Vehicle	105,262,967	60,752,257
	IT equipment and Computer accessories	3,387,378	778,711
	Machinery & Equipments	3,035,614	-
	Furniture and fixtures	33,786,932	754,978
	Mobile phones	68,000	427,000
		145,540,891	62,712,946
4	INVESTMENT PROPERTY		
	TPL Technology Zone Phase-1 (Pvt) Ltd.	4.1	2,028,571,664
	National Management and Consultancy Services (Pvt) Ltd.	4.2	6,885,285,730
			8,913,857,394
4.1	The movement in investment property during the period/year is as follows:		
	Opening Balance	1,470,752,861	-
	Additions	-	600,120,000
	Add Expenditures incurred	358,078,803	185,909,403
		1,828,831,664	786,029,403
	Gain from fair value adjustment	4.1.1	199,740,000
	Closing Balance	2,028,571,664	684,723,458
			1,470,752,861



Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

4.1.1 A valuation of the land was carried out by an independent professional valuer on Dec 31, 2021 and the fair value was determined with reference to market based evidence, active market prices and relevant information.

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

	December 31, 2021	June 30, 2021
Note	----- Rupees -----	
Opening Balance	-	-
Additions	3,400,000,000	-
Add Expenditures incurred	85,285,730	-
	<u>3,485,285,730</u>	-
Gain from fair value adjustment	3,400,000,000	-
Closing Balance	<u>6,885,285,730</u>	-

4.2.1 A valuation of the land was carried out by an independent professional valuer on Dec 31, 2021 and the fair value was determined with reference to market based evidence, active market prices and relevant information.

5 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.

	December 31, 2021	June 30, 2021
	----- Rupees -----	
Land	801,225,879	801,225,879
Design and consultancy	302,373,825	269,966,585
Project management and ancillary costs	330,525,183	330,225,183
Other project costs	533,736,401	431,757,826
	<u>1,967,861,288</u>	<u>1,833,175,473</u>

6 LONG-TERM DEPOSITS – unsecured, considered good

Security deposits		
- Total PARCO Pakistan Limited	3,500,000	2,500,000
- Central Depository Company of Pakistan Limited	200,000	200,000
- City District Government Karachi	86,919	86,919
	<u>3,786,919</u>	<u>2,786,919</u>

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

Rent	87,934,509	74,999,042
Services	83,076,897	85,416,593
Others	27,552,320	9,539,995
	<u>198,563,726</u>	<u>169,955,630</u>
Less: Allowance for expected credit losses	(3,033,883)	(3,033,883)
	<u>195,529,843</u>	<u>166,921,747</u>

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

		December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
		----- Rupees -----	
8	ADVANCES AND PREPAYMENTS		
	Advances – unsecured, considered good		
	Suppliers and contractors	145,681,104	145,329,753
	Employees	13,370,784	37,656
	Others	36,409,572	-
		<u>195,461,460</u>	<u>145,367,409</u>
	Prepayments		
	Insurance	367,525	1,983,527
		367,525	1,983,527
	Receivable from Bank Al Habib against sale of Centrepoint building	-	387,500,000
	Receivable for cost reimbursement	-	12,225,924
	Others - sales tax receivable	6,885,064	4,899,003
		<u>202,714,049</u>	<u>551,975,863</u>
9	DUE FROM RELATED PARTIES – unsecured, considered good		
	TPL Trakker Limited – an associated company	-	-
	TPL Life Insurance Limited - an associated company	6,284,117	4,822,578
	TPL Insurance Limited - an associated company	647,998	286,522
	TPL Security Services (Pvt) Limited – an associated company	-	5,648,262
	TPL Corp Limited	-	6,492,863
	TPL REIT FUND I	8,937,370	-
	Others	1,603,423	-
		<u>17,472,908</u>	<u>17,250,225</u>
10	CASH AND BANK BALANCES		
	Cash in hand	-	115,311
	Cash at banks in local currency current accounts	1,211,349,014	1,471,355,919
	savings accounts	1,728,146,497	1,481,912,552
		<u>2,939,495,511</u>	<u>2,953,383,782</u>
11	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
		December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
		----- (Rupees) -----	
	--- (No. of shares) ---		
	175,920,448	175,920,448	Ordinary shares of Rs.10/- each
	151,472,658	151,472,658	- Issued for cash consideration
	327,393,106	327,393,106	- Issued for consideration other than cash
		<u>1,759,204,480</u>	<u>1,759,204,480</u>
		<u>2,169,512,793</u>	<u>1,514,726,580</u>
		<u>3,928,717,273</u>	<u>3,273,931,060</u>

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

		December 31, 2021	June 30, 2021
		(Un-audited)	(Audited)
		----- (Rupees) -----	
12	LONG-TERM FINANCING		
		275,000,000	275,000,000
	JS Bank Limited - project financing	-	48,446,200
	Lease finance	14,592,665	21,888,997
	JS Bank Limited - payroll financing	1,000,000,000	1,000,000,000
	Habib Metro Bank Limited	500,000,000	500,000,000
	Soneri Bank Limited	1,000,000,000	1,000,000,000
	Long term loan - BOP	132,408,873	25,960,825
	Diminishing Musharaka Arrangements	2,922,001,538	2,871,296,022
		(1,549,725,621)	(549,725,621)
	Less : Current maturity	1,372,275,917	2,321,570,401

12.1 There are no material changes in the terms and conditions as disclosed in the annual financial statements of the Company for the year ended June 30, 2021, except as disclosed in note 12.2 to these condensed interim consolidated financial statements.

12.2 During the period, the Company had entered into agreement with commercial bank dated July 30, 2021 for extending the existing diminishing musharaka facility for the purpose of purchasing new imported vehicle operating lease amounting to Rs. 177 million. The amount received is repayable in equal quarterly installments over a period of 5 years at mark-up of 3 months KIBOR plus 1.90% per annum. The facility has been secured against the following:

- Title and ownership of DM assets under HPA/ Lien marking in favor of the bank with excise and taxation authority (motor / vehicles); and
- Minimum 12.11% equity contribution made by the Company towards the price of DM Asset.

		December 31, 2021	June 30, 2021
		(Un-audited)	(Audited)
		----- (Rupees) -----	
13	TRADE AND OTHER PAYABLES		
	Creditors	37,812,579	52,634,135
	Retention money	609,251	609,251
	Sales tax payable	3,596,427	-
	Payable to employees	2,453,030	2,002,638
	Withholding income tax payable	15,954,690	9,169,232
	Others	4,911,625	898,750
		65,337,602	65,314,006
14	DUE TO RELATED PARTIES – unsecured		
	TPL Trakker Limited - an associated company	4,043,808	2,169,130
	TPL Corp Limited	29,325,211	-
	TPL Security Services (Private) Limited	3,851,159	-
		37,220,178	2,169,130

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

		December 31, 2021	June 30, 2021
		(Un-audited)	(Audited)
	Note	----- (Rupees) -----	
15 ACCRUED MARK-UP			
Accrued mark-up on:			
Long-term financing		57,772,820	43,513,585
Markup on leased assets		6,609,892	959,939
Short term borrowings - secured		80,262,612	210,959
		144,645,325	44,684,483
16 SHORT TERM BORROWINGS - secured			
Habib Metro Bank Limited	16.1	500,000,000	-
Soneri Bank Limited	16.2	500,000,000	-
The Bank of Punjab	16.3	1,275,000,000	-
		2,275,000,000	-

- 16.1** During the period, the Company has entered into an agreement with a commercial bank dated December 17, 2021, for raising additional financing of Rs. 500 million. The facility is repayable in six months from the date of disbursement at mark-up of 6 months KIBOR + 1.75%. The purpose of the loan is to partially fund the acquisition of NMC.

The additional facility is secured against the following:

- Charge on long-term investment of the Company in favour of Security Trustee amounting to Rs. 2.130 billion; and
- First charge on Fixed Assets of NMC in favour of Security Trustee with 25% margin.

- 16.2** During the period, the Company has obtained demand finance facility amounting to Rs. 500 million from a commercial bank through an agreement dated December 03, 2021. The purpose of availing the facility is to bridge the gap of funding till issuance of REIT to support project financing on property Korangi 40 acres - residential / commercial / hospitality / clubs and other amenities. The amount received is repayable on or before June 30, 2022 at mark-up of 3 months KIBOR + 1.50% per annum. The facility has been secured against the following:

- Pledge of shares of group companies i.e. TPL Corp Limited, TPL Trakker Limited and TPL Insurance Limited under CDC in favour of the bank with 40% margin to be owned by director/ group concern (as an interim arrangement)."

- 16.3** During the period, the Company has entered into a short term bridge finance facility amounting to Rs. 1,275 million from a commercial bank through an agreement dated December 17, 2021. The purpose of availing the facility is to fund the acquisition of NMC along with all the assets. The amount received is repayable on or before June 30, 2022 at mark-up of 6 months KIBOR + 1.50% per annum. The facility has been secured against the following:

- First exclusive charge on long-term investment of the Company in favour of Security Trustee with 25% margin;
- First exclusive charge on fixed assets (including 40 acres land) of NMC in favour of Security Trustee with 25% margin; and
- Existing security of TPL TZ to be tagged at least till the perfection of new / proposed security of the Company.



Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

	For the Half Year ended		For the quarter ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
17 RENTAL INCOME				
Rental Income	23,901,993	166,283,906	12,292,767	53,028,601
Maintenance and othe services	7,500,000	41,340,076	3,750,000	20,646,807
Electricity and conditioning services	-	59,609,625	-	23,633,558
Revenue from IT services	-	13,176,848	-	6,588,425
	<u>31,401,993</u>	<u>280,410,455</u>	<u>16,042,767</u>	<u>103,897,391</u>

18 OTHER INCOME

Income from financial assets

Markup on saving accounts	97,720,598	5,351,897	62,952,371	(22,608,470)
Exchange gain	-	-	-	(1,295)
(Loss)/Gain on disposal of investment	(3,263,486)	(1,738,157)	(3,263,486)	(23,168,393)
Dividend income	-	744,295	(1,322,885)	(426,084)
Un-relaised gain / (loss) on investments	802,785	5,023,414	802,785	1,670,096

Income from non-financial assets

Fair value gain on investment property	3,600,040,000	9,933,241	3,600,040,000	(674,790,217)
Income from ancillary services	310,298	502,397	-	502,397
Gain on sale of operating fixed asset	-	-	-	(500,000)
Gain on disposal of non current asset held for sale	-	-	-	(30,651,665)
Realized Gain on disposal of investment	-	-	(766,753)	-
Remeasurement Gain on GIDC	-	-	-	(4,675,267)
Reversal provision of GID Cess	-	-	-	(29,822,466)
Others	-	26,515,701	-	26,097,337
	<u>3,600,350,298</u>	<u>36,951,339</u>	<u>3,599,273,247</u>	<u>(713,839,881)</u>
	<u>3,695,610,195</u>	<u>46,332,788</u>	<u>3,658,442,032</u>	<u>(758,374,027)</u>

19 FINANCE COSTS

Markup on				
- long-term financing	73,846,611	154,866,136	38,994,358	(136,813,628)
- short-term borrowings	-	17,913,160	-	(30,194,454)
	73,846,611	172,779,296	38,994,358	(167,008,082)
Bank charges	254,687	274,137	200,537	(335,111)
	<u>74,101,298</u>	<u>173,053,433</u>	<u>39,194,895</u>	<u>(167,343,193)</u>

20 TAXATION

Current	2,997,199	9,470,916	1,040,885	(3,916,841)
Deferred	-	(15,808,675)	-	(12,895,921)
	<u>2,997,199</u>	<u>(6,337,759)</u>	<u>1,040,885</u>	<u>(16,812,762)</u>

21 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Group comprise of the Ultimate Parent Company, Parent Company, subsidiaries, associated companies, major shareholders, suppliers, directors, key management personnel and staff retirement benefit fund. The transactions with related parties other than those disclosed elsewhere in these consolidated financial statements are as follows:

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

	December 31, 2021	December 31, 2020
<u>The Parent Company</u>		
----- Rupees -----		
TPL Corp Limited [TCL]		
Payment made by the group	31,274,021	76,800,000
Expenses incurred/paid by TCL on behalf of the Group	71,712,584	34,568,450
Expenses incurred / paid by the Company on behalf of TCL	4,620,489	48,459
Services rendered by the Group	15,478,968	30,275,800
<u>Associated Company</u>		
TPL Trakker Limited [TTL]		
Amount paid by the Group against expenses	-	16,500,233
Expenses incurred/paid by TTL on behalf of the Group	2,925,761	10,760,072
Expenses incurred / paid by the Group on behalf of TTL	1,069,809	482,216
Services acquired by the Group	18,726	-
Services rendered by the Group	-	36,814,110
<u>Associated Company</u>		
TPL Insurance Limited [TIL]		
Expenses incurred / paid by Group on behalf of TIL	361,476	78,125
Expenses incurred / paid by TIL on behalf of the Group	-	7,182
Services rendered by the Group	-	23,469,762
Amount received from TIL on account of rent and other services	-	10,541,007
TPL Security Services (Private) Limited [TSS]		
Services acquired by the Group	8,103,421	7,293,000
Expenses paid by the Group on behalf of TSS	-	681,745
Services acquired by the Group	1,396,000	-
Amount paid against services	-	23,540,100
TPL Life Insurance Limited [TLIL]		
Services acquired from TLIL	2,927,801	2,818,202
Expenses incurred / paid by the Group on behalf of TLIL	2,389,340	1,707,978
Amount received from TLIL against expenses	-	65,410
Payment made by the Group	2,000,000	2,818,202
<u>Staff retirement benefit fund</u>		
Group – Provident fund		
Employer contribution	524,196	3,896,140
<u>Key Management Personnel</u>		
Remuneration paid	6,908,798	11,286,000
Post - employment benefits	149,670	415,800

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2021 (Un-audited)

22 DATE OF AUTHORIZATION OF ISSUE

These condensed interim consolidated financial statements were authorized for issue on 25 February, 2022 by the Board of Directors of the Company.

23 GENERAL

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



Chief Executive Officer



Chief Financial Officer



Director



Corporate Office

20th Floor, Sky Tower - East Wing, Domen City, HC-3,
Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi.

📞 +92-21-34390300 ✉ info@tplproperty.com 🌐 www.tplproperty.com

📘 tplproperties 🌐 tpl-properties-ltd