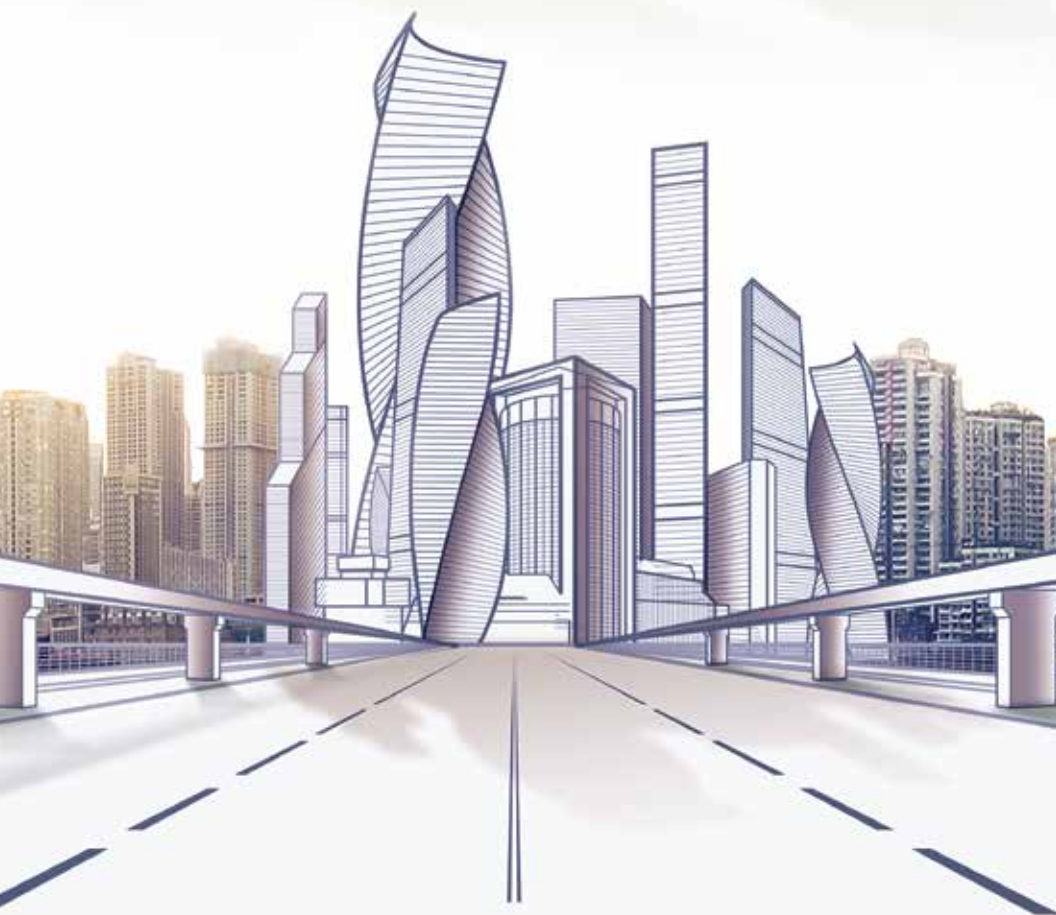


 TPL Properties

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



Quarterly Report September 2018



A photograph of a city skyline at sunset, with various skyscrapers and buildings silhouetted against a warm, orange and purple sky. The foreground shows a paved plaza with a grid pattern.

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Vision

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

Mission

To set the benchmark for other developers to follow.



Company Information

BOARD OF DIRECTORS

Jameel Yusuf S.St.
Ali Jameel
Bilal Alibhai
Ziad Bashir
Maj Gen (R) Zafar-ul-Hasan Naqvi
Vice Admiral (R) Muhammad Shafi HI (M)
Siraj Dadabhoy
Fawad Anwar

CHIEF EXECUTIVE OFFICER

Ali Jameel

CHIEF FINANCIAL OFFICER

Aun Ali Sayani

AUDIT COMMITTEE

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

HUMAN RESOURCE & REMUNERATION COMMITTEE

Ziad Bashir
Maj. Gen. (Retd.) Zafar-ul-Hasan Naqvi
Fawad Anwar
Ali Jameel
Nader Nawaz

AUDITORS

EY Ford Rhodes Chartered Accountants

LEGAL ADVISOR

Mohsin Tayebali & Co

Chairman
Director
Director
Director
Director
Director
Director

Chairman
Member
Member
Secretary

Chairman
Member
Member
Member
Secretary

BANKERS

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

SHARE REGISTRAR

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

REGISTERED OFFICE

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

WEB PRESENCE

www.tpl-property.com



Directors' Report

The Directors are pleased to present the unaudited condensed interim financial information for the first quarter of the year 2018-19 and a brief review of the Company's operations.

Economic Outlook

The First quarter of the fiscal year in Pakistan was stable after the general elections and the formation of new government. However, the main challenge that lies ahead for the incumbent government is macroeconomic stability and increase in the revenue streams to close the ever increasing deficit of current account which stands at record \$18 billion (5.7% of GDP) at the end of fiscal year. To cater these needs, the government has taken steps to increase the tax net by the introduction of finance act 2018 which became effective from 1st July 2018.

The Government introduced some encouraging reforms in the finance act for real estate. Initially the Government prohibited non-filers of income tax returns from buying property valued above Rs. 5 Million; due to this condition the investment in the real estate sector has slowed down in the recently concluded quarter because as per some media reports and government own estimates, half of the foreign remittance from overseas Pakistanis is in the property and real estate sector, who generally fall in the non-filers category. Therefore, in the second week of September 2018, federal government in its mini-budget has again allowed nonresident non-filers to purchase properties in Pakistan, This concession is widely welcomed by the overseas Pakistanis.

All these circumstances are indicative of a strong need for regulatory changes permitting foreign investment and at the same time increasing the local tax net. There is also the need to remove the complexities circling the real estate sector bringing more transparency in ownership records and land titles. Another issue is easing out the requirements of financing for real estate sector. As per SBP report, "Residential Real Estate Loans to Total Loans – All bank" and "Commercial Real Estate Loans to Total Loans – All Banks" in 2017 was 2.2 and 9.1 percent respectively only, which is on a lower side and is indicative of an area which can be improved to bring more investment in the sector.

Pakistan is seeing an increased demand in the residential and commercial real estate sector over the recent years, the reason being acute shortage of economical houses which is now standing at 15 Million housing units in urban areas. Along with the requirement of economical residential units there is also a shortage of high end residential and commercial developments. Pakistan real estate market is relatively cheaper than the neighboring regional countries which can also be an incentive for foreign investors who can take advantage of this increased demand. The growing number of higher income group in Pakistan as well as the overseas Pakistanis are also the driving force behind the increasing demand of luxury and super luxury residential developments. TPL Properties is fully aware of this opportunity and is continually including such projects in its portfolio.

Standalone performance

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

Particulars	Three months ended September 30, 2018 (Unaudited)	Three months ended September 30, 2017 (Unaudited)
Revenue	91,587,606	91,587,606
Gross Profit	89,104,406	89,474,546
Profit before tax	29,582,243	16,112,967
Profit after tax	20,036,312	9,103,612
Number of outstanding shares	273,511,367	273,511,367
Earnings per share – pre tax	0.11	0.06
Earnings per share-post tax	0.07	0.03

Directors' Report

Revenue and Gross profit remains constant between the period under consideration and corresponding period last year at PKR 91million. Administrative and general expenses have decreased from PKR 34.5 million on 30th September 2017 to PKR 16.4 Million on 30th September 2018 (52% decrease) due to allocation of expenses to the relevant business segments under the Company. Other income has also shown a significant increase of 47% (PKR 8.2 million in 2017 vs PKR 11.9 Million in 2018).

Consolidated performance

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

Particulars	Three months ended September 30, 2018 (Unaudited)	Three months ended September 30, 2017 (Unaudited)
Revenue	142,083,900	139,541,100
Gross Profit	101,197,868	97,965,929
Profit before tax	23,225,206	7,390,579
Profit after tax	12,669,349	(612,136)
Number of outstanding shares	273,511,367	273,511,367
Earnings per share – pre tax	0.08	0.03
Earnings per share-post tax	0.05	(0.00)

Consolidated revenue of the Company showed a slight increase of PKR 2.5 million primarily due to the increase in maintenance rates. Operational expenses have shown a slight decrease of 2% due to better control and allocation of the same to relevant business segments.

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

During the 1st quarter, the Company's subsidiary HKC Limited has initiated working on preparing design submissions to the relevant statutory bodies for approval of its super prime luxury mixed-use development and targeting its first submission to any such department in October 2018. Subsequently it will commence its schematic and detail design phase for tendering of the project.

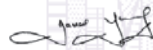
Further the Company has made submission to the regulatory authority for incorporation of Non-Banking Finance Company to apply for the REIT Management Company (RMC) license in furtherance to the earlier approval received from the authority to form the RMC.

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.



Ali Jameel
Chief Executive



Jameel Yusuf (S.St.)
Chairman

ڈائریکٹرز کی رپورٹ

ڈائریکٹرز کی رپورٹ 2018-19 سال کی پہلی سہ ماہی کے لیے کمپنی کے امور کی موجودہ غیر آڈٹ شدہ تجدید پوری مالیاتی معلومات اور اس کا مختصر جائزہ پیش کرتے ہوئے ہمسرت ہیں۔

اقتصادی جائزہ

مالیاتی سال کی پہلی سہ ماہی پاکستان میں عام انتخابات اور نئی حکومت کی تشکیل کے بعد استحکام پذیر ہے۔ تاہم نئی آنے والی حکومت کو نیکرو اکنامک استحکام کو لاحق خطرات کے ساتھ کرٹھ اکاؤنٹ کے بڑھتے ہوئے خسارے کے سبب آمدنی بڑھانے کے نتیجے میں سامنا ہے۔ یہ خسارہ مالیاتی سال کے اختتام پر اپنی ریکارڈ حد 18 بلین ڈالر (جی ڈی پی کا 5.76 فیصد) پر موجود تھا۔ ان ضروریات کی تکمیل کے لیے حکومت نے اپنا ٹیکس نیٹ بڑھانے کے لیے اٹھائے گئے اقدامات کے طور پر ٹیکس ایکٹ 2018 متعارف کرایا ہے جو یکم جولائی 2018 سے نافذ العمل ہے۔

حکومت نے جہاں اس فنڈس ایکٹ میں ریٹیل اسٹیٹ اور کنسٹرکشن سیکٹر کے لیے کچھ تعمیری اصلاحات کئے ہیں وہیں حکومت نے اس ایکٹ میں آگے نکلنے میں ریٹیل کے نان فیکٹرز کے لیے 5 بلین پاکستان روپے سے زائد کی ہر اپنی خریدنے پر پابندی لگادی ہے۔ اس پابندی نے ختم ہونے والی سہ ماہی میں ریٹیل اسٹیٹ میں سرمایہ کاری کو سست روی کا شکار رکھا کیونکہ حکومتی اندازے اور کچھ میڈیا رپورٹس کے مطابق بیرون ملک موجود پاکستانیوں کی آدھی سے زیادہ تر سیالات زر بیہاں ریٹیل اسٹیٹ سیکٹر اور تعمیری شعبے میں لگائی جاتی ہے جو کہ عام طور پر نان فیکٹرز کی تکمیل میں آتی ہے۔ اس لیے وفاقی حکومت نے ستمبر کے دوسرے ہفتے میں اپنے نئی بجٹ میں بیرون ملک موجود نان فیکٹرز کو پاکستان میں ہر اپریٹیز خریدنے کی اجازت دی ہے۔ اس رعایت کا بیرون ملک رہائشی پاکستانیوں کی جانب سے خیر مقدم کیا گیا ہے۔

مذکورہ بالا تمام رکاوٹیں اور انسانی تبدیلیوں کی شدید منتظر ہیں تاکہ بیرون سرمایہ کاری کو فروغ حاصل ہو اور اس کے ساتھ مقامی ٹیکس نیٹ کو بڑھانے کی بھی شدید ضرورت ہے۔ دوسری جانب ریٹیل اسٹیٹ کے شعبے کی دیگر پیچیدگیوں جیسا کہ ملکیت و دستاویزات اور زمین کے مالک کی سند کے اعتبار سے شفافیت لانے کی ضرورت ہے۔ اس حوالے سے ریٹیل اسٹیٹ کے شعبے کو قرض لینے کے مسائل کو آسان کرنے کی ضرورت ہے۔ اسٹیٹ بینک آف پاکستان کی رپورٹ کے مطابق 2017 میں ”رہائشی ریٹیل اسٹیٹ قرضہ جات بمقابلہ تمام قرضہ جات: تمام بینک“ اور ”کرنشل ریٹیل اسٹیٹ قرضہ جات بمقابلہ تمام قرضہ جات: تمام بینک“ بالترتیب صرف 2.2 اور 9.1 فیصد تھے جو کہ بہت ہی کم ہونے کی دلیل ہے اور اس شعبے میں سرمایہ کاری بڑھانے کے لیے اس طرف توجہ دینے کی نشان دہی کرتی ہے۔

پاکستان میں حالیہ سالوں کے دوران ریٹیل اسٹیٹ کے شعبے میں رہائشی اور کرنشل سیکٹرز کی طلب میں اضافہ دیکھا جا رہا ہے کیونکہ شہری علاقوں میں باکفایت مکانات کی شدید کمی ہے اور 15 بلین مکانات کی طلب سامنے آئی ہے۔ باکفایت رہائشی مکانات کی ضروریات کے ساتھ اعلیٰ طرز تعمیر کی رہائشی اور کرنشل تعمیرات کی بھی کمی ہے۔ پاکستان کی ریٹیل اسٹیٹ مارکیٹ بڑھی ہوئی ممالک سے نسبتاً سستا ہے جو کہ بیرون ملک سرمایہ کاروں کے لیے پرکشش ہونے کے ساتھ طلب میں اضافے کا بھی سبب ہے۔ پاکستان میں زائد آمدنی مانے والا گروپ اور بیرون ملک پاکستانی یہاں لگژری اور پری لگژری رہائشی تعمیرات کی طلب بڑھانے کے پیچھے اہم کردار ادا کر رہے ہیں۔ TPL چار پرائیز اس موقع سے بخوبی واقف ہے اور اس کے پیش نظر اپنے پورٹ فولیو میں اس طرح کے پروجیکٹس شامل کرنے کے لیے سرگرم عمل ہے۔

انفرادی کارکردگی

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

کوائف	30 ستمبر 2018 کو ختم شدہ سہ ماہی (غیر آڈٹ شدہ)	30 ستمبر 2017 کو ختم شدہ سہ ماہی (غیر آڈٹ شدہ)
آمدنی	91,587,606	91,587,606
مجموعی منافع	89,104,406	89,474,546
منافع قبل از ٹیکس	29,582,243	16,112,967
منافع بعد از ٹیکس	20,036,312	9,103,612
واجب الادا شیئرز کی تعداد	273,511,367	273,511,367
ہر ایک شیئر پر منافع قبل از ٹیکس	0.11	0.06
ہر ایک شیئر پر منافع بعد از ٹیکس	0.07	0.03

ڈائریکٹرز رپورٹ

زیر جائزہ عرصہ گزشتہ سال کے متعلقہ دورانیہ میں آمدنی اور مجموعی منافع 91 ملین روپے پر مستحکم رہا۔ انتظامی اور عوامی اخراجات کمپنی کے کاروباری شعبہ جات کے اخراجات کی بدولت 30 ستمبر 2017 کو 34.5 ملین سے کم ہو کر 30 ستمبر 2018 کو 16.4 ملین روپے رہے۔ دیگر آمدنی میں بھی 47 فیصد کا قابل قدر اضافہ دیکھنے میں آیا (2017 میں 8.2 ملین روپے سے مقابلہ 2018 میں 11.9 ملین روپے)

مجموعی کارکردگی

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

کوائف	30 ستمبر 2018 کو ختم شدہ سہ ماہی (نہیں آڈٹ شدہ)	30 ستمبر 2017 کو ختم شدہ سہ ماہی (نہیں آڈٹ شدہ)
آمدنی	142,083,900	139,541,100
مجموعی منافع	101,197,868	97,965,929
منافع قبل از ٹیکس	23,225,206	7,390,579
منافع بعد از ٹیکس	12,669,349	(612,136)
واجب الادا شیئرز کی تعداد	273,511,367	273,511,367
ہر ایک شیئر پر منافع قبل از ٹیکس	0.08	0.03
ہر ایک شیئر پر منافع بعد از ٹیکس	0.05	(0.00)

کمپنی کی مجموعی آمدنی میں 2.5 ملین روپے سے کچھ اضافہ ہوا کیونکہ مرمتی اخراجات میں اضافہ ہوا۔ بہتر انتظامات اور دیگر کاروباری شعبوں میں ایک جیسی صلاحیتیں لگانے سے ہونے والی بچت کے سبب انتظامی اخراجات میں 2 فیصد کمی لائی گئی۔

کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے TPL پر پری میٹر لمیٹڈ (TPL) کی طویل المدت اور قلیل المدت ادارتی ریٹنگ کو مستحکم صورتحال کے ساتھ A+ (سنگل اے پلس) اور A1 (اے وان) برقرار رکھی ہے۔ یہ ریٹنگ مالیاتی نعدوں و بروڈت ادائیگی کے حوالے سے ادارے کی مستحکم اہلیت سے ابھرنے والے کریڈٹ رسک میں کمی کی توقعات کی عکاس ہیں۔

کمپنی کی صورتحال

پہلی سہ ماہی کے دوران، کمپنی کے ذیلی ادارے HKC لمیٹڈ نے اپنے سپر پرائیم گھڑی مختلف الاستعمال تعمیراتی پروجیکٹ کی منظوری کے لیے متعلقہ قانونی اداروں کو ذیابین جمع کرانے کے کام کا آغاز کر دیا ہے اور اکتوبر 2018 میں کسی بھی ذیابینٹ کو یہ ذیابین جمع کرانے جانے کی توقع ہے۔ اس کے ساتھ یہ اپنے ماڈل اور تفصیلی ذیابینٹ کو شروع کرنے کے لیے پروجیکٹ کا نینڈر روہنے کی تیاری بھی کر رہا ہے۔

مزید برآں، کمپنی نے REIT سٹیٹس کمپنی (RMC) لائسنس کی درخواست کے لیے نان بینکنگ فنانس کمپنی کے قیام کے لیے ریگولیٹری اتھارٹی کی درخواست جمع کرادی ہے تاکہ RMC کے قیام کے لیے اتھارٹی سے حاصل کردہ سابقہ منظوری پر پیش رفت ہو۔

اظہار تشکر

پیش رو اور احساس ذمہ داری سے، تخلیقی صلاحیتوں کے اظہار سے، مربوط نظام سے اور مسلسل بہتری نیز مستحکم ترقی کے لیے تمام ذرائع کے مؤثر استعمال کی وجہ سے اپنے کام کو احسن انداز میں عمل کرنا ہمارے لئے ممکن ہوتا ہے۔ ہم مختلف سطحوں پر کمپنی کے ملازمین کی جانب سے ادا کئے جانے والے کردار اور ان کی خدمات کو بھرپور انداز میں سراہتے ہیں۔ سب سے بڑھ کر ہم اپنے سرمایہ کاروں، گراہی داروں، بینکرز، سکیورٹیز اینڈ ایکسچینج کمیشن 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۔



جیل ہسین (ایس ایس ٹی)
چیئرمین



علی ہسین
چیف ایگزیکٹو

UNCONSOLIDATED BALANCE SHEET
AS AT SEPTEMBER 30, 2018 - (UN-AUDITED)

	Note	September' 30 2018 (Unaudited)	June' 30 2018 (Audited)
(Rupees)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	4,616,237	5,080,698
Intangible assets		753,449	753,449
Investment Property	6	6,195,076,012	6,189,635,029
Long-term investment	7	1,150,315,390	1,150,315,390
Long-term loans to subsidiaries	8	517,491,569	432,506,875
Long-term deposits		286,919	286,919
Interest accrued		38,167,942	40,818,147
		7,906,707,518	7,819,396,507
CURRENT ASSETS			
Receivables against rent from tenants	9	48,829,481	45,419,372
Due from a related party		531,983	331,983
Advances and prepayments	10	31,667,105	25,397,651
Taxation - net		92,128,011	93,258,132
Short-term deposits		100,000,000	100,000,000
Cash and bank balances	11	377,243,143	540,589,194
		650,399,723	804,996,332
TOTAL ASSETS		8,557,107,241	8,624,392,839
EQUITY & LIABILITIES			
SHARE CAPITAL			
Authorised capital			
300,000,000 (June 30, 2018: 300,000,000) ordinary shares of Rs. 10/- each			
		3,000,000,000	3,000,000,000
Issued, subscribed and paid-up capital			
Share premium account		2,735,113,670	2,735,113,670
Accumulated profit		560,563,555	560,563,555
		2,582,177,467	2,562,141,156
		5,877,854,693	5,857,818,381
NON-CURRENT LIABILITIES			
Long-term financing	12	2,081,063,084	2,101,651,829
Deferred tax liability		27,567,486	27,567,486
		2,108,630,570	2,129,219,315
CURRENT LIABILITIES			
Trade and other payables	15	57,554,201	55,993,266
Due to related parties	13	-	8,076,706
Accrued mark-up	14	16,910,154	57,473,950
Short-term borrowing	16	400,000,000	400,000,000
Current portion of non-current liabilities		44,000,000	44,000,000
Advances against rent from tenants	17	52,157,623	71,811,221
		570,621,977	637,355,143
CONTINGENCIES & COMMITMENTS	18		
TOTAL EQUITY & LIABILITIES		8,557,107,240	8,624,392,839

The annexed notes from 01 to 22 form an integral part of these condensed interim financial statements.


Chief Executive


Chief Financial Officer


Director

UNCONSOLIDATED CONDENSED INTERIM PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED SEPTEMBER 30, 2018 - (UN-AUDITED)

	Note	September' 30 2018 (Unaudited)	September' 30 2017 (Unaudited)
		(Rupees)	
Rental income	19	91,587,606	91,587,606
Direct operating costs		(2,483,201)	(2,113,060)
Gross profit		89,104,406	89,474,546
Administrative & general expenses		(16,470,633)	(34,500,499)
Operating profit		72,633,772	54,974,047
Finance costs		(55,034,816)	(46,989,453)
Other Income		11,983,286	8,128,373
Profit before taxation		29,582,243	16,112,967
Taxation		(9,545,931)	(7,009,355)
Profit for the period		20,036,311	9,103,612
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		20,036,311	9,103,612
Earnings per share - Basic and diluted		0.07	0.03

The annexed notes from 01 to 22 form an integral part of these condensed interim financial statements.


Chief Executive


Chief Financial Officer


Director

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2018 - (UN-AUDITED)

Note	September' 30	September' 30
	2018	2017
	(Unaudited)	(Unaudited)
	(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation for the period	29,582,243	16,112,967
Adjustments for Non-Cash Items		
Depreciation	603,962	583,499
Finance Costs	55,034,816	46,989,453
Markup on savings account	(7,684,716)	(6,752,896)
Markup on long-term loan	2,650,205	1,943,023
Working capital Changes	50,604,267	42,763,079
(Increase) / decrease in current assets		
Advances and deposit	(6,269,454)	(11,962,824)
Due from a related party	(200,000)	(11,716,023)
Rent receivable	(3,410,109)	(10,373,538)
	(9,879,563)	(34,052,385)
Increase / (decrease) in current liabilities		
Advance against rent from tenants	(19,653,598)	(32,826,899)
Trade and other payables	1,560,935	(18,190,429)
	(18,092,663)	(51,017,328)
Net cash flows used in operations	52,214,283	(26,193,667)
Finance cost paid	(85,728,877)	(74,776,553)
Markup on savings account received	7,684,716	6,752,896
Income tax paid	(8,415,809)	(7,626,858)
Net cash flows used in operating activities	(34,245,687)	(101,844,182)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment	(139,500)	(108,000)
Long term loan	(84,984,694)	(30,173,258)
Expenditure incurred on Investment property	(232,000)	(3,332,716)
Additions to capital work-in-progress	(5,208,983)	(5,811,748)
Net cash flows used in investing activities	(90,565,177)	(39,425,722)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term financing	(30,458,480)	(89,762,849)
Short term borrowings	-	400,000,000
Due to related parties	(8,076,706)	13,911,515
Net cash flow from financing activities	(38,535,186)	324,148,665
Net increase / (decrease) in cash and cash equivalents	(163,346,051)	182,878,761
Cash and cash equivalents at the beginning of the year	540,589,194	344,332,622
Cash and cash equivalents at the end of the year	377,243,143	527,211,383

The annexed notes from 01 to 22 form an integral part of these condensed interim financial statements.


Chief Executive


Chief Financial Officer


Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

	Issued subscribed and paid up capital	Share premium	Accumulated Profit	Total
	(Rupees)			
Balance at June 30, 2017	2,735,113,670	560,563,555	1,327,511,411	4,623,188,636
Profit for the period	-	-	9,103,612	9,103,612
Balance at September 30, 2017	<u>2,735,113,670</u>	<u>560,563,555</u>	<u>1,336,615,023</u>	<u>4,632,292,248</u>
Balance at June 30, 2018	2,735,113,670	560,563,555	2,562,141,156	5,857,818,381
Profit for the period	-	-	20,036,311	20,036,311
Balance at September 30, 2018	<u>2,735,113,670</u>	<u>560,563,555</u>	<u>2,582,177,467</u>	<u>5,877,854,693</u>

The annexed notes from 01 to 22 form an integral part of these condensed interim financial statements.



Chief Executive



Chief Financial Officer



Director

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (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. 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 off in any manner the real estate including commercial and residential buildings, houses, shops, plots or other premises. The registered office of the Company is situated at Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi. TPL Corp Limited (formerly TPL Trakker Limited) and TPL Holdings (Private) Limited are the parent and ultimate parent company respectively, as of reporting date.

Geographical location and address of the business premises

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

- 1.2. These financial statements are the separate financial statements of the Company, in which investment in the subsidiary companies namely Centrepoint Management Services (Private) Limited, G-18 (private) Limited and HKC Limited have been accounted for at cost less accumulated impairment losses, if any
- 1.3. As at Sept 30, 2018 Company holds 100% (June 30, 2018 :100%) shares of Centrepoint Management Services (Private) Limited and 90% (June 30, 2018: 90%) shares of HKC Limited & 100% shares (June 30, 2018: 100%) of G-18 (Private) Limited.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of such International Financial Reporting Standards (IFRS Standards), issued by International Accounting Standard Board (IASB) as notified under Companies Act, 2017 (the Act) and provisions of and directives issued under the Act. Where the provisions of and directives issued under the Companies Act, 2017 differ from the IFRS standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The Act has also brought certain changes with regard to the preparation and presentation of these financial statements. These changes, amongst others, include changes in nomenclature of the primary statements. Further, the disclosure requirements under the Act have been revised, resulting in elimination of duplicative disclosures with the IFRS disclosure requirements and incorporation of additional / amended disclosures

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Basis of preparation

This condensed interim financial statements has been prepared in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting. This condensed interim financial statements does not contain information required for full financial statements and should be read in conjunction with the financial statements of the Company for the year then ended June 30, 2018.

This condensed interim financial statements comprise of the condensed interim unconsolidated balance sheet as at Sept 30, 2018, condensed interim unconsolidated profit and loss account, condensed interim cash flow statement, condensed interim unconsolidated statement of changes in equity and notes thereto for the three months ended September 30, 2018.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2018 (UN-AUDITED)

The comparative condensed interim balance sheet, presented in the condensed interim financial statements, as at June 30, 2018 has been extracted from the annual audited unconsolidated financial statements of the Company for the year then ended whereas the comparative condensed interim unconsolidated profit and loss, condensed interim unconsolidated cash flow statement and condensed statement of changes in equity is for the three months ended September 30, 2018. The comparative condensed interim unconsolidated profit and loss account, condensed interim unconsolidated cash flow statement and condensed statement of changes in equity for the three months ended September 30, 2018 which is included in this condensed interim unconsolidated financial information is not audited by the external auditors.

4. SIGNIFICANT ACCOUNTING POLICIES

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:

The following 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 standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 2 – Share Based Payments - Classification and Measurement of Share Based Payment Transactions (Amendments)	01 January 2018
IFRS 9 – Financial Instruments	01 July 2018
IFRS 9 – Prepayment Features with Negative Compensation – (Amendments)	01 January 2018
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 finalized
IFRS 15 – Revenue from Contracts with Customers	01 July 2018
IFRS 16 – Leases	01 January 2019
IFRS 4 – Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	01 January 2018
IAS 40 – Investment Property: Transfers of Investment Property (Amendments)	01 January 2018
IAS 19 – Plan Amendment, Curtailment or Settlement (Amendments)	01 January 2019
IAS 28 – Long-term Interests in Associates and Joint Ventures (Amendments)	01 January 2019
IFRIC 22– Foreign Currency Transactions and Advance Consideration	01 January 2018
IFRIC 23– Uncertainty over Income Tax Treatments	01 January 2019

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application except for IFRS 15 - Revenue from contracts with customers. The Company is currently evaluating the impact of the said standard.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016 and December 2017. Such improvements are generally effective for accounting periods beginning on or after 01 January 2018 and 01 January 2019 respectively. The Company expects that such improvements to the standards will not have any impact on the Company's financial statements in the period of initial application

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after 1 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

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

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 14 – Regulatory Deferral Accounts	01 January 2016
IFRS 17 – Insurance Contracts	01 January 2021

Currently the Company is assessing the impact of the above Standards on the Company's financial statements in the period of initial application.

	Note	September' 30 2018 (Unaudited)	June' 30 2018 (Audited)
(Rupees)			
5. PROPERTY, PLANT AND EQUIPMENT			
Property, plant and equipment	5.1	4,616,237	5,080,699
5.1 The movement in property, plant and equipment during the period / year are as follows:			
Opening balance		5,080,698	6,736,214
Add: Additions during the period / year	5.1.1	139,500	656,299
Less: Depreciation Charge for the period /year		5,220,198 (603,961)	7,392,513 (2,311,814)
Less: Disposals during the period / year		-	-
		4,616,237	5,080,699
5.1.1 Additions including transfers during the period			
Computer and accessories		83,500	627,799
Mobile phones		56,000	28,500
		139,500	656,299



NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	Note	September' 30 2018 (Unaudited)	June' 30 2018 (Audited)
(Rupees)			
6. INVESTMENT PROPERTY			
Investment property	6.1	6,165,593,363	6,165,361,363
Capital work in process	6.3	29,482,649	24,273,666
		6,195,076,012	6,189,635,029
6.1	The movement in investment property during the period /year are as follows:		
	Opening balance	6,165,361,363	4,967,683,819
	Add: Additions during the period / year	232,000	16,868,937
		6,165,593,363	4,984,552,756
	Gain from fair value adjustment	-	1,180,808,607
	Closing balance	6,165,593,363	6,165,361,363

6.2 A valuation of Centrepont Project was carried out by an independent professional valuer on June 30, 2018 and the fair value was determined with reference to market based evidence, active market prices and relevant information. The fair value of investment property fall under level 2 of fair value hierarchy (i.e. significant observable inputs).As of balance sheet date, the management expects no material change in the aforementioned fair value of investment property.

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

	Note	September' 30 2018 (Unaudited)	June' 30 2018 (Audited)
(Rupees)			
7. LONG-TERM INVESTMENT			
Investment in subsidiary companies - at cost			
Centrepont Management Services (Private) Limited	7.1	352,999,990	352,999,990
HKC Limited	7.2	797,315,400	797,315,400
		1,150,315,390	1,150,315,390

7.1 The Company holds 35,299,999 (2018: 35,299,999) ordinary shares of Rs.10/- each, representing 99.99 percent (2018: 99.99 percent) of the share capital of Centrepont Management Services (Private) Limited (CMS) which was incorporated in Pakistan as of the reporting date. CMS provides building maintenance services to all kinds and description of residential and commercial buildings.

7.2 The Company holds 8,532,000 (2018: 8,532,000) ordinary shares of Rs. 10/- each, representing 90 percent (2018: 90 percent) of the share capital of HKC Limited (HKC) which was incorporated in Pakistan as of the reporting date. HKC is engaged in the acquisition and development of real estates and renovation of buildings and letting out. As of reporting date, HKC is not generating revenue as it is in the process of initiation of developing the property.

7.3 During the year ended June 30,2018, the Company has established a wholly owned subsidiary, G-18 (Private) Limited (G-18), by virtue of 99.995% shareholding in the said company. G-18 a private limited company incorporated during the year for the purpose of Property development. However, as at the reporting date no share capital has been injected and G-18 has not commenced its operations.

7.4 The abovementioned equity investments in subsidiary companies have been made in accordance with the provisions and directives as laid down in the Companies Act, 2017.

7.5 The Company has reassessed the recoverable amount of the subsidiaries as at the reporting date and based on its assessment no material adjustment is required to the carrying amount stated in the financial statements.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	Note	September' 30 2018 (Unaudited)	June' 30 2018 (Audited)
(Rupees)			
8. LONG-TERM LOANS TO SUBSIDIARIES			
Centrepont Management Services (Private) Limited	8.1	299,585,322	241,425,322
HKC Limited	8.2	217,906,247	191,081,553
		517,491,569	432,506,875

8.1. The Company had granted conventional loan to its subsidiary company i.e. Centrepont Management Services (Private) Limited (CMS) under the agreement dated February 02, 2012 on account of procurement of equipments for Centrepont Project (the Project). Under the aforesaid loan agreement, the maximum facility limit is Rs. 85 million carrying mark-up at the rate of 15 percent per annum and is repayable, in whole or any part of the loan, latest by August 31, 2019, failing which, the Company may, by a written notice of atleast 30 days, direct the subsidiary company to repay the full outstanding amount of the loan payable. The said loan to CMS is unsecured.

The Company had signed a supplemental agreement dated July 4, 2012 to original loan agreement dated February 02, 2012, whereby, the long-term loan granted to CMS is to be subordinated to all other loans representing the principal, markup and other amounts that may be payable by CMS to banks/financial institution pursuant to the financing facilities availed and to be availed. Further, the Company signed the supplemental agreement dated June 28, 2014 to original loan agreement dated February 02, 2012, whereby, the maximum facility limit has been increased up to Rs.200 million, with other terms and conditions remaining the same.

The Company signed a further supplemental agreement dated July 1, 2015 to original loan agreement dated February 02, 2012 and supplement dated January 1, 2016 whereby, the maximum facility limit has been increased up to Rs. 300 million, and rate of mark-up has been changed from fixed rate of 15% to variable rate of 6 months KIBOR plus 1.75% per annum respectively.

The Company signed a further supplemental agreement dated July 1, 2017 to original loan agreement dated February 02, 2012 and supplement dated July 4, 2012 whereby, the mark-up has been waived off with effect from July 1, 2017 till the termination / expiry of the Contract.

8.2. During the year ended June 30, 2018, the Company has entered into an agreement with HKC Limited - the associated company, for granting loan to the associated company from time to time with unsecured facility amount of up to Rs. 1.5 billion at average borrowing cost of the 6 months KIBOR plus 1.75% repayable in a period of 4 years, expiring on June 30, 2021 with pre-payment and extension option. Investment by way of loan to the associated company has been made in accordance with the provisions under the Companies Act, 2017. The purpose of the loan to the associated company is to finance the construction of new mixed-use project requiring construction, development and design expenses.

	September' 30 2018 (Unaudited)	June' 30 2018 (Audited)
(Rupees)		
9. RECEIVABLES AGAINST RENT FROM TENANTS – unsecured, considered good		
Related parties:		
TPL Trakker Limited (formerly TPL Trakker (Private) Limited – an associated company	30,804,116	31,147,335
TPL Insurance Limited (formerly TPL Direct Insurance Limited) - an associated company	5,131,472	-
Others	12,893,893	14,272,037
	48,829,481	45,419,372

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	September' 30 2018 (Unaudited)	June' 30 2018 (Audited)
	(Rupees)	
10. ADVANCES & PREPAYMENTS- Secured		
Advances - Unsecured, considered good		
Suppliers and contractors	29,021,756	20,648,970
Prepayments		
Insurance	2,645,350	4,748,681
	31,667,105	25,397,651
11 CASH AND BANK BALANCES		
Cash in hand	607,333	197,943
Cash at banks in local currency		
Current account		
- islamic banking	9,758,020	487,192
- conventional banking	30,701,488	55,982,173
Savings account		
- islamic banking	24,025,435	233,889,218
- conventional banking	312,150,866	250,032,668
	377,243,143	540,589,194
12 LONG-TERM FINANCING		
Term finance certificates	2,125,063,084	2,145,651,829
Less : Current Portion shown under current liabilities	(44,000,000)	(44,000,000)
	2,081,063,084	2,101,651,829

12.1 During the year ended June 30, 2018 year, the Company entered into an agreement with a commercial bank, dated March 14, 2018 , for the issuance of redeemable capital in the amount of Rs. 3.5 billion in the form of Term Finance Certificates (TFCs) of the face value of Rs. 5,000/- each. Out of the total proposed issuance, the TFCs issued, during the year, and TFCs proposed to be issued, are detailed as follows:

- Sum equal to Rs. 2,200,000,000 as a first tranche (Series A TFC Issue) comprising of 440,000 TFCs, issued during the year for the purpose of prepaying the outstanding Musharaka Facility in the amount of Rs. 1,796,000,000 availed by the Company; and for financing construction project of HKC. The amount received against issuance of Series A TFCs is repayable in semi-annual installments for a period of 10 years at the rate of 6 months KIBOR plus 125 basis points. This facility has been fully drawn during the current year and has been secured against the following:
 - First pari pasu charge on present and future fixed assets (plant, machinery, fixtures and fittings, etc.)
 - First pari pasu charge over land and building with 25% margin
 - Assignment over rental agreements.
- sum equal to Rs. 1,300,000,000 as a second tranche (Series B TFC Issue), proposed to be issued for the purpose of making an equity investment upcoming new project./development.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

13	DUE TO RELATED PARTIES	Note	September' 30	June' 30
			2018	2018
			(Unaudited)	(Audited)
			(Rupees)	
	TPL Trakker Limited (formerly TPL Trakker Private) Limited – an associated company	13.1	-	5,496,316
	TPL Insurance Limited		-	2,472,620
	Centrepoint Management Services (Private) Limited - the subsidiary company		-	107,770
			<u>-</u>	<u>8,076,706</u>

13.1 Represents loan financing facility having a limit of Rs. 100 million (June 30, 2018 : 100 million) carrying mark-up at the variable rate of 3 months KIBOR plus 4 percent.

14.	ACCRUED MARK-UP	Note	September' 30	June' 30
			2018	2018
			(Unaudited)	(Audited)
			(Rupees)	
	Accrued mark-up on:			
	Long-term financing		8,431,546	49,853,206
	Due to related parties:			
	TPL Holdings (Pvt) Ltd -Ultimate Parent	13.1	18,333	18,333
			<u>18,333</u>	<u>18,333</u>
	Short-term borrowings		8,460,275	7,602,411
			<u>16,910,154</u>	<u>57,473,950</u>
	15. TRADE & OTHER PAYABLES			
	Creditors		25,948,856	27,168,900
	Accrued expenses		12,956,309	9,846,660
	Retention money		6,970,846	7,970,846
	Workers' Welfare Fund		9,290,946	9,290,946
	Provident Fund		401,202	401,202
	Withholding Income Tax Payable		1,986,042	1,314,712
			<u>57,554,201</u>	<u>55,993,266</u>

16. SHORT TERM BORROWINGS

During the year, the Company has entered into a Musharakah (Shirkat-ul-Milk) agreement with an Islamic bank to create joint ownership in the Centrepoint Project. Against bank's share of 6.49%, the Company received an amount of Rs. 400,000,000 which is repayable through quarterly payments at the rate of 2.5% plus 3 months KIBOR, as consideration for use of bank's share by the Company. The said periodic payments are secured against equitable interest over the Centrepoint Project.

17.	ADVANCE AGAINST RENT		September' 30	June' 30
			2018	2018
			(Unaudited)	(Audited)
			(Rupees)	
	TPL Insurance Ltd - related party		-	1,750,301
	Others		52,157,623	70,060,920
			<u>52,157,623</u>	<u>71,811,221</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

18. CONTINGENCIES AND COMMITMENTS

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

	September' 30 2018	September' 30 2017
	(Unaudited)	(Unaudited)
	(Rupees)	
19. RENTAL INCOME		
TPL Trakker Limited (formerly TPL Trakker (Private) Limited – an associated company	10,481,057	10,481,057
TPL Insurance Limited (formerly TPL Direct Insurance Limited) - an associated company	11,355,801	11,355,801
Others	69,750,748	69,750,748
	91,587,606	91,587,606

20. TRANSACTIONS WITH RELATED PARTIES

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

	September' 30 2018	September' 30 2017
	(Unaudited)	(Unaudited)
	(Rupees)	
<u>The Ultimate Parent Company</u>		
<u>TPL Holdings (Private) Limited (THL)</u>		
Mark-up on current account	-	3,112
<u>Associated Company</u>		
TPL Trakker Limited		
Payment made to TTL on account of accrued mark-up	-	296,769
Payment made by the Company	-	1,703,231
Mark-up on current account	204,951	356,116
Expenses incurred / paid by TTL on behalf of the Company	5,123,010	15,614,745
Adjustments of receivable for rent from TTL by the company against:		
- due to related parties balance of TTL	10,619,325	-
- accrued markup payable balance of TTL	204,951	-
Services acquired by the Company	10,481,057	10,481,057
<u>Subsidiary Company</u>		
<u>Centrepont Management Services (Private) Limited (CMS)</u>		
Long-term loan paid during the year	58,160,000	30,173,258
Mark-up on long-term loan	-	1,226,477
Payment received from CMS on account of accrued mark-up	6,806,372	3,169,500

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	September' 30 2018 <u>(Unaudited)</u>	September' 30 2017 <u>(Unaudited)</u>
(Rupees)		
<u>HKC Limited [HKC]</u>		
Expenses incurred / paid by the Company	26,824,694	11,716,023
Mark-up on long-term loan	4,156,165	-
<u>Common Directorship</u>		
TPL Insurance Limited (formerly TPL Direct Insurance Limited) - an associated company		
Expenses incurred / paid by TIL on behalf of the Company	2,001,408	-
Adjustments of receivable for rent from TIL by the company against:		
- due to related parties balance of TIL	4,474,028	-
Services acquired by the Company	11,355,801	11,355,801
Staff retirement benefit fund		
TPL Properties Limited – Provident fund Employer contribution	674,198	334,549

21 DATE OF AUTHORIZATION OF ISSUE

These condensed interim financial statements have been authorized for issue on 12th October 2018.

22 GENERAL

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



Chief Executive



Chief Financial Officer



Director

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2018

	Note	September 30 2018 (Unaudited)	June 30 2018 (Audited)
ASSETS			
NON-CURRENT ASSETS			
(Rupees)			
Property, plant and equipment	5	378,035,020	387,103,277
Intangible assets	6	1,225,789	1,250,649
Investment property	7	6,195,076,012	6,189,635,029
Development properties	8	1,113,218,265	1,088,264,861
Long-term deposits	9	2,786,919	2,786,919
Deferred tax asset	10.	86,457,378	86,457,378
		7,774,799,383	7,755,498,113
CURRENT ASSETS			
Tools		1,098,344	853,932
Receivables against rent, maintenance and other services	11	140,035,380	153,705,805
Advances and prepayments	12	58,873,933	49,781,411
Due from related parties	13	2,089,239	1,287,086
Taxation - net		109,044,392	109,314,097
Short-term investment	14	100,000,000	100,000,000
Interest accrued		642,991	642,991
Cash and bank balances	15	388,968,186	558,786,594
		800,752,465	974,371,917
TOTAL ASSETS		8,575,551,848	8,729,870,030
EQUITY AND LIABILITIES			
SHARE CAPITAL			
Authorised capital			
300,000,000 (2018: 300,000,000) ordinary shares of 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
Capital reserve			
Share premium account		560,563,555	560,563,555
Revenue reserve			
Accumulated profit		2,261,918,278	2,249,120,030
		5,557,595,503	5,544,797,254
Non-controlling interest		87,534,063	87,536,549
		5,645,129,566	5,632,333,804
NON-CURRENT LIABILITY			
Long-term financing	16	2,240,812,306	2,288,901,051
CURRENT LIABILITIES			
Trade and other payables	17	91,422,110	125,720,135
Due to related parties - unsecured	18	-	8,430,936
Accrued mark-up	19	17,841,559	63,553,126
Short-term borrowing - secured	20	400,000,000	400,000,000
Current portion of long-term financing	16	99,000,000	99,000,000
Advances against rent, maintenance and other services	21	81,346,307	111,930,978
		689,609,976	808,635,175
TOTAL EQUITY AND LIABILITIES		8,575,551,848	8,729,870,030

The annexed notes from 1 to 25 form an integral part of these consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2018

	Note	September 30 2018	September 30 2017
(Rupees)			
Revenue	22	142,083,900	139,541,100
Direct operating costs		(40,759,618)	(41,575,171)
Gross profit		101,324,282	97,965,929
Administrative and general expenses		(25,352,800)	(44,762,618)
Finance costs		(60,469,449)	(53,157,054)
Other income		7,849,586	7,344,323
Profit before taxation		23,351,620	7,390,580
Taxation		(10,555,857)	(8,002,716)
Profit for the period		12,795,763	(612,136)
Other comprehensive income for the period		-	-
Total comprehensive income for the period		12,795,763	(612,136)
Attributable to:			
Owners of the Holding Company		12,798,249	(586,321)
Non-controlling interest		(2,486)	(25,815)
		12,795,763	(612,136)
Earnings per share - Basic and diluted		0.05	-

The annexed notes from 1 to 25 form an integral part of these consolidated financial statements.



Chief Executive



Chief Financial Officer



Director

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

	September 30 2018	September 30 2017
	(Unaudited)	(Unaudited)
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	23,351,620	7,390,580
Adjustments for non-cash items		
Depreciation	11,799,418	9,555,320
Property, plant and equipment written-off	-	-
Finance costs	60,469,449	53,157,054
Mark-up on savings account	(7,689,989)	(6,754,823)
Fair value gain on investment property	-	-
	64,578,878	55,957,551
Working capital changes		
(Increase) / decrease in current assets		
Receivables against rent from tenants	13,670,425	(26,527,963)
Tools	(244,412)	(407,011)
Advances and prepayments	(9,092,522)	(16,904,478)
Due from a related party	(802,153)	-
	3,531,338	(43,839,452)
(Decrease) / increase in current liabilities		
Trade and other payables	(34,298,025)	(14,554,846)
Due to related parties	-	13,911,515
Advance against rent from tenants	(30,584,671)	(39,656,363)
	(64,882,696)	(40,299,694)
Cash generated from operations	26,579,140	(20,791,015)
Finance cost paid	-	(86,047,183)
Markup on savings account received	7,689,989	6,754,823
Income tax paid - net of refund	(10,286,152)	(10,882,433)
Net cash used in operating activities	23,982,977	(110,965,808)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(706,301)	(597,529)
Additions to development properties	(24,953,404)	(17,525,252)
Expenditure incurred on investment property	(5,440,983)	(3,332,716)
Long-term deposits - net	-	(1,200,000)
Net cash used in investing activities	(31,100,688)	(22,655,497)
CASH FLOWS FROM FINANCING ACTIVITIES*		
Long-term financing - net	(154,269,761)	(89,798,448)
Short-term borrowings - net	-	400,000,000
Due to related parties	(8,430,936)	-
Net cash generated from / (used in) financing activities	(162,700,697)	310,201,552
Net increase / (decrease) in cash and cash equivalents	(169,818,409)	176,580,247
Cash and cash equivalents at the beginning of the year	558,786,594	353,630,171
Cash and cash equivalents at the end of the year	388,968,185	530,210,418

*No non-cash items are included in these activities

The annexed notes from 1 to 25 form an integral part of these consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2018

	Issued, subscribed and paid up capital	Capital reserve share	Revenue reserve accumulated (Rupees)	Non-controlling interest	Total
Balance at June 30, 2017	2,735,113,670	560,563,555	1,053,438,147	87,635,191	4,436,750,563
Profit for the period	-	-	(586,321)	(25,815)	(612,136)
Balance at September 30, 2017	2,735,113,670	560,563,555	1,052,851,829	87,609,376	4,436,138,430
Balance at June 30, 2018	2,735,113,670	560,563,555	1,249,120,030	87,536,549	5,544,698,613
Profit for the year	-	-	12,798,249	(2,486)	12,795,763
Balance at September 30, 2018	2,735,113,670	560,563,555	2,261,918,278	87,534,063	5,645,129,566

The annexed notes from 1 to 25 form an integral part of these consolidated financial statements.



Chief Executive



Chief Financial Officer



Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

1. LEGAL STATUS AND OPERATIONS OF THE GROUP

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

1.1 Holding Company

TPL Properties Limited [the Holding Company] - TPLP

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

Geographical location and address of the business premises

Address

Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi.

Purpose

Head office and rented premises

1.2 Subsidiary Companies

1.2.1 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.

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

Geographical location and address of the business premises

Address

Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi.

Purpose

Registered office

1.2.2 HKC Limited [HKC]

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

Geographical location and address of the business premises

Address

Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi.

Purpose

Registered office

Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi

Development property site

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

During the year ended June 30, 2018, the Group has established a wholly owned subsidiary, G-18 (Private) Limited (G-18), by virtue of 99.995% shareholding. G-18 a private limited company incorporated for the purpose of Property development. However, as at the reporting date no share capital has been injected and G-18 has not commenced its operations.

Geographical location and address of the business premises

Address

Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi.

Purpose

Registered office

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

2 STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of such International Financial Reporting Standards (IFRS Standards), issued by International Accounting Standard Board (IASB) as notified under Companies Act, 2017 (the Act) and provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ from the IFRS standards, the provisions of and directives issued under the Act have been followed.

The Act has also brought certain changes with regard to the preparation and presentation of these financial statements. These changes, amongst others, include changes in nomenclature of the primary statements. Further, the disclosure requirements under the Act have been revised, resulting in elimination of duplicative disclosures with the IFRS disclosure requirements and incorporation of additional / amended disclosures

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

This condensed interim financial statements has been prepared in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting. This condensed interim financial statements does not contain information required for full financial statements and should be read in conjunction with the financial statements of the Company for the year then ended June 30, 2018.

This condensed interim financial statements comprise of the condensed interim unconsolidated balance sheet as at Sept 30, 2018, condensed interim unconsolidated profit and loss account, condensed interim cash flow statement, condensed interim unconsolidated statement of changes in equity and notes thereto for the three months ended September 30, 2018.

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, 2018.

3.2 Basis of consolidation

These consolidated financial statements comprise of the financial statements of the Holding Company and its subsidiary companies, CMS, HKC and G-18, as at September 30, 2018, here-in-after referred to as 'the Group'.

3.3 Standards, amendments and interpretations adopted during the year

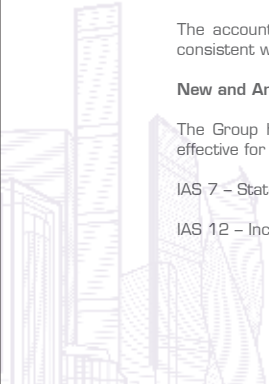
The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those of the previous financial year except as described below:

New and Amended Standards

The Group has adopted the following revised standards and amendments of IFRSs which became effective for the current year:

IAS 7 – Statement of Cash Flows - Disclosure Initiative (Amendment)

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

4.26 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 Payment Transactions (Amendments)	01 January 2018
IFRS 9 – Financial Instruments	01 July 2018
IFRS 9 – Prepayment Features with Negative Compensation – (Amendments)	01 January 2018
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 finalized
IFRS 15 – Revenue from Contracts with Customers	01 July 2018
IFRS 16 – Leases	01 January 2019
IFRS 4 – Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	01 January 2018
IAS 40 – Investment Property: Transfers of Investment Property (Amendments)	01 January 2018
IAS 19 – Plan Amendment, Curtailment or Settlement (Amendments)	01 January 2019
IAS 28 – Long-term Interests in Associates and Joint Ventures – (Amendments)	01 January 2019
IFRIC 22 – Foreign Currency Transactions and Advance Consideration	01 January 2018
IFRIC 23 – Uncertainty over Income Tax Treatments	01 January 2019

The above standards and amendments are not expected to have any material impact on the Group's financial statements in the period of initial application except for IFRS 15 - Revenue from contracts with customers. The Group is currently evaluating the impact of the said standard.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016 and December 2017. Such improvements are generally effective for accounting periods beginning on or after 01 January 2018 and 01 January 2019 respectively. The Group expects that such improvements to the standards will not have any impact on the Group's financial statements in the period of initial application.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after 1 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

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

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 14 – Regulatory Deferral Accounts	01 January 2016
IFRS 17 – Insurance Contracts	01 January 2021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2018

	Note	September 30 2018 (Unaudited)	June 30 2018 (Audited)
(Rupees)			
5	PROPERTY, PLANT AND EQUIPMENT		
The movement in property, plant and equipment during the period / year are as follows:			
Opening balance		387,103,277	370,820,634
Add: Additions during the period	5.1	706,301	55,553,699
Less: Disposals during the period / year		-	(40,000)
		387,809,578	426,334,333
Less: Depreciation Charge for the period		(11,774,558)	(39,261,056)
Add: Accumulated Depreciation of Disposals for the period/year		-	30,000
Operating fixed assets (WDV)		376,035,020	387,103,277
Additions / Disposals during the period			
Furniture		-	17,562,915
IT equipment and Computer accessories		139,500	1,534,833
Electrical Equipments		566,801	31,476,870
Power Generation Unit		-	2,215,597
Gym Equipment		-	2,763,484
	5.1	706,301	55,553,699
6	INTANGIBLE ASSETS		
Represents advance against purchase of computer software amounting to Rs. 1,250,649/- (2018: 1,250,649).			
7	INVESTMENT PROPERTY		
Investment property	7.1 & 7.2	6,165,361,363	6,165,361,363
Capital work-in-progress	7.4	29,714,649	24,273,666
		6,195,076,012	6,189,635,029
7.1	The movement in investment property during the year is as follows:		
As at July 01		6,165,361,363	4,967,683,819
Additions		-	16,868,937
		6,165,361,363	4,984,552,756
Gain from fair value adjustment	7.3	-	1,180,808,607
As at September 30		6,165,361,363	6,165,361,363
7.2	Investment property comprises of leasehold land having area of 2,914 square yards and building thereon, situated at 66/3-2, Shaheed-e-Millat Expressway, near KPT Interchange Flyover, Karachi, hereinafter referred to as Centrepoint Project.		
7.3	A valuation of Centrepoint Project was carried out by an independent professional valuer on June 30, 2018 and the fair value was determined with reference to market based evidence, active market prices and relevant information. The fair value of investment property fall under level 2 of fair value hierarchy (i.e. significant observable inputs).		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

- 7.4** Represents expenses incurred on various projects of the Group related to the construction of investment property.

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

	September 30 2018	June 30 2018
	(Rupees)	
As at July 01	24,273,666	8,190,703
Additions during the year	5,440,983	16,082,963
As at September 30	29,714,649	24,273,666

8 DEVELOPMENT PROPERTIES

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

Note	September 30 2018	June 30 2018
	(Rupees)	
Land	801,225,879	801,225,879
Design and consultancy	120,730,826	120,730,826
Project management and ancillary costs	113,671,817	113,671,817
Other project costs	77,589,743	52,636,339
	1,113,218,265	1,088,264,861

9 LONG-TERM DEPOSITS – unsecured, considered good

Security deposits		
- Total PARCO Pakistan Limited	2,500,000	2,500,000
- Central Depository Company of Pakistan Limited	200,000	200,000
- City District Government Karachi	86,919	86,919
9.1	2,786,919	2,786,919

- 9.1** These deposits are non-interest bearing.

10. DEFERRED TAX ASSET

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

	Note	September 30	June 30
		2018	2018
		(Unaudited)	(Audited)
		(Rupees)	
11 RECEIVABLE AGAINST RENT, MAINTENANCE AND OTHER SERVICES - unsecured, considered good			
Receivables against rent			
Related parties			
TPL Trakker Limited (formerly TPL Trakker (Private) Limited - an associated company		30,804,116	31,147,335
TPL Insurance Limited		5,131,472	
		35,935,588	31,147,335
Others		12,893,893	14,272,037
		48,829,481	45,419,372
Receivables against maintenance and services			
Related party:			
TPL Trakker Limited (formerly TPL Trakker (Private) Limited)		15,160,605	13,130,024
Others		1,787,378	4,127,212
		16,947,983	17,257,236
Receivables against electricity and air conditioning services			
Related parties:			
TPL Trakker Limited (formerly TPL Trakker (Private) Limited)		20,593,472	44,569,919
TPL Insurance Limited (formerly TPL Direct Insurance Limited) – an associate		1,544,534	775,170
		22,138,006	45,345,088
Others		11,175,147	13,924,687
		33,313,153	59,269,775
Receivables against others and water supply services			
Related parties:			
TPL Trakker Limited (formerly TPL Trakker (Private) Limited)		3,486,231	3,036,146
TPL Insurance Limited (formerly TPL Direct Insurance Limited) – an associate		287,825	124,555
TPL Life		10,170	10,170
		3,784,226	3,170,871
Others		1,637,120	2,169,155
		5,421,346	5,340,026
Receivables against IT services			
Related party			
TPL Trakker Limited (formerly TPL Trakker (Private) Limited)		35,523,416	26,419,400
		140,035,380	153,705,809
12 ADVANCES AND PREPAYMENTS			
Advances – unsecured, considered good			
Suppliers and contractors	12.1	55,236,378	44,546,515
Employees		471,108	464,713
Others		12,502	12,502
		55,719,988	45,023,730
Prepayments			
Insurance		3,153,945	4,757,681
		3,153,945	4,757,681
		58,873,933	49,781,411

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

	Note	September 30	June 30
		2018	2018
		(Unaudited)	(Audited)
(Rupees)			
13	DUE FROM RELATED PARTIES – unsecured, considered good		
	TPL Holdings (Private) Limited - Ultimate Parent Company	74,100	74,100
	TPL Life Insurance - an associated company 13.1	2,015,139	1,212,986
		2,089,239	1,287,086

13.1 Represents expenses incurred on behalf of TPL Life Insurance - an associated company which is receivable on demand.

	Note	September 30	June 30
		2018	2018
		(Unaudited)	(Audited)
(Rupees)			

14 SHORT-TERM INVESTMENTS

	Term deposit receipts	14.1	100,000,000	100,000,000
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14.1 These represent investment made in term deposit receipts of Rs. 100 million (2018: 100 Million) with Summit Bank Limited having tenure of 6 months carrying profit at the rate of 6.4% per annum.

15 CASH AND BANK BALANCES

	Cash in hand		643,176	205,761
	Cash at banks in local currency current accounts		51,977,842	74,549,483
	savings accounts	15.1	336,347,168	484,031,350
			388,968,186	558,786,594

16 LONG-TERM FINANCING

	Facility 1	16.1	2,125,063,084	2,145,651,829
	Facility 2	16.1	214,749,222	242,249,222
			2,339,812,306	2,387,901,051
	Less : Current maturity		(99,000,000)	(99,000,000)
			2,240,812,306	2,288,901,051

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

- sum equal to Rs. 2,200,000,000 as a first tranche (Series A TFC Issue) comprising of 440,000 TFCs, issued during the year ended June 30, 2018 for the purpose of prepaying the outstanding Musharaka Facility in the amount of Rs. 1,796,000,000 availed by the Group; and for financing construction project of HKC. The amount received against issuance of Series A TFCs is repayable in semi-annual installments for a period of 10 years at the rate of 6 months KIBOR plus 125 basis points. This facility has been fully drawn during the year ended June 30, 2018 and has been secured against the following:
 - First pari pasu charge on present and future fixed assets (plant, machinery, fixtures and fittings, etc.)
 - First pari pasu charge over land and building with 25% margin
 - Assignment over rental agreements.
- sum equal to Rs. 1,300,000,000 as a second tranche (Series B TFC Issue), proposed to be issued for the purpose of making an equity investment in upcoming new project/development.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

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

	Note	September 30	June 30
		2018	2018
		(Unaudited)	(Audited)
(Rupees)			
17 TRADE AND OTHER PAYABLES			
Creditors		46,642,985	49,267,637
Accrued expenses		18,112,638	16,149,910
Payable to contractors		2,000,735	36,545,788
Retention money		7,762,007	8,762,007
Sales tax payable		3,197,819	2,770,346
Workers' Welfare Fund (WWF)		9,290,946	9,290,946
Payable to employees		401,202	401,202
Withholding income tax payable		3,115,028	1,633,549
Others		898,750	898,750
	17.1	91,422,110	125,720,135
17.1 These payables are non-interest bearing and generally on an average term of 1 to 12 months.			
18 DUE TO RELATED PARTIES – unsecured			
TPL Insurance Limited (formerly TPL Direct Insurance Limited) - an associated company	18.1	-	2,472,620
TPL Trakker Limited (formerly TPL Trakker (Private) Limited) - an associated company	18.2	-	5,496,316
TPL Security Services (Private) Limited	18.3	-	462,000
		-	8,430,936

18.1 Represents the amount payable to TPL Insurance Limited (formerly TPL Direct Insurance Limited) - an associated company, on account of expenses, incurred by the associated company on behalf of the Group.

18.2 Represents loan financing facility having a limit of Rs. 100 million carrying mark-up at the variable rate of 3 months KIBOR plus 4 percent. The loan is payable at any time before 31 August 2021 at the option of the Group.

18.3 Represents the amount payable to TPL Security Services (Private) Limited - an associated company of the Group, in respect of expenses incurred by the associated company on behalf of the Group and is payable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

	Note	September 30	June 30
		2018	2018
		(Unaudited)	(Audited)
(Rupees)			
19 ACCRUED MARK-UP			
Accrued mark-up on:			
Long-term financing	16	9,362,951	55,932,382
Due to related parties:			
- TPL Holdings (Private) Limited – the ultimate parent company		18,333	18,333
		18,333	18,333
Short term borrowings - secured	20	8,460,275	7,602,411
		17,841,559	63,553,126

20 SHORT TERM BORROWINGS - secured

During the year ended June 30, 2018 the Group has entered into a Musharakah (Shirkat-ul-Milk) agreement with an Islamic bank to create joint ownership in the Centrepoint Project. Against bank's share of 6.49%, the Group received an amount of Rs. 400,000,000 which is repayable through quarterly payments at the rate of 2.5% plus 3 months KIBOR, as consideration for use of bank's share by the Group. The said periodic payments are secured against equitable interest over the Centrepoint Project.

	Note	September 30	June 30
		2018	2018
		(Unaudited)	(Audited)
(Rupees)			
21 ADVANCES AGAINST RENT FROM TENANTS - Unsecured			
Advances against rent			
TPL Insurance Limited – an associated company		-	1,750,301
Others		52,157,623	70,060,920
		52,157,623	71,811,221
Advances against maintenance services			
TPL Insurance Limited (formerly TPL Direct Insurance Limited) – an associated company		3,723,256	5,789,972
Others		25,465,429	34,329,785
		29,188,685	40,119,757
		81,346,307	111,930,978

	Note	September 30	September 30
		2018	2017
		(Unaudited)	(Unaudited)
(Rupees)			
22 RENTAL INCOME			
Related parties:			
TPL Trakker Limited (formerly TPL Trakker Private) Limited) - an associated company		10,481,057	10,481,057
TPL Insurance Limited (formerly TPL Direct Insurance Limited) – an associated company		11,355,801	11,355,801
		21,836,858	21,836,858
Others		69,750,748	69,750,748
		91,587,606	91,587,606

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2018

Note	September 30 2018	September 30 2017
	(Unaudited)	(Unaudited)
	(Rupees)	
Revenue from maintenance and services		
Related parties		
TPL Trakker Limited (formerly TPL Trakker (Private) Limited) - an associated company	2,030,581	1,845,983
TPL Insurance Limited (formerly TPL Direct Insurance Limited) - an associated company	2,066,716	1,878,833
	4,097,297	3,724,815
Others	14,250,121	13,067,620
	18,347,418	16,792,435
Revenue from electricity and conditioning services		
Related parties		
TPL Trakker Limited (formerly TPL Trakker (Private) Limited) - an associated company	5,330,578	5,845,488
TPL Insurance Limited (formerly TPL Direct Insurance Limited) - an associated company	2,271,994	2,093,418
	7,602,572	7,938,906
Others	18,556,828	17,777,175
	26,159,400	25,716,081
Revenue from IT services		
TPL Trakker Limited (formerly TPL Trakker (Private) Limited)	5,989,476	5,444,978
	142,083,900	139,541,100

23 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Group comprise of the ultimate parent Group, parent Group, subsidiaries, associated companies, major shareholders, 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:

Note	September 30 2018	September 30 2017
	(Unaudited)	(Unaudited)
	(Rupees)	
The Ultimate Parent Company		
TPL Holdings (Private) Limited (THL)		
Amount received from THL by the Holding Company	-	-
Mark-up for the year on current account given to Holding Company	-	3,112
Mark-up adjusted by CMS against loan of THL	-	-
The Parent Company		
TPL Trakker Limited (TTL)		
Amount received from TTL by the Holding Company	-	-
Payment made to TTL by the Holding Company on account of accrued mark-up	-	296,769
Payment made by the Company	-	1,703,231
Mark-up for the year on current account given to the Holding Co.	204,951	356,116
Expenses incurred / paid by TTL on behalf of the Holding Company	5,123,010	15,614,745
Adjustments of receivable for rent from TTL by the company against:		
- due to related parties balance of TTL	10,619,325	-
- accrued markup payable balance of TTL	204,951	-
Services rendered by Holding company	10,481,057	10,481,057
Services rendered by CMS	13,800,720	13,670,877
Amount received against maintenance and other services by the Company"	-	-

	September 30 2018	September 30 2017
	(Unaudited)	(Unaudited)
	(Rupees)	
Common Directorship		
TPL Insurance Limited - (formerly TPL Direct Insurance Limited)		
Expenses incurred / paid by TIL on behalf of the Company	2,001,408	-
Adjustments of receivable for rent from TTL by the company against:	-	-
- due to related parties balance of TTL	4,474,028	-
Services rendered by Holding company	11,355,801	11,355,801
Services rendered by CMS	4,682,298	4,380,253
Amount received against maintenance and other services by the Company	1,812,513	2,521,771
TPL Security Services (Pvt) Limited [TSS]		
Amount paid against services	-	-
Services received by CMS	2,663,100	2,058,000
Staff retirement benefit fund		
Group – Provident fund		
Employer contribution	674,198	644,691

24 DATE OF AUTHORIZATION OF ISSUE

These consolidated financial statements were authorised for issue on 12th October 2018 by the Board of Directors of the Group.

25 GENERAL

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


Chief Executive


Chief Financial Officer


Director

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