

PAKISTAN HOTELS DEVELOPERS LTD.

Owners & Operators of



Main Shahra-e-Faisal,

Karachi - Pakistan

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***Condensed Interim
Financial Information
Three-Months Period Ended
September 30, 2018
(Un-audited)***

Vision / Mission

It is our cherished goal to be the Industry leader in hotel business by establishing a complete, unique, distinctive and truly a five star deluxe hotel complex.

To achieve the above objective and to provide the highest level of satisfaction to our valued customers, we are constantly engaged and working with a missionary zeal to bring necessary improvements in our existing facilities and to excel in offering efficient and quality services to them.

We are also committed to maintain the highest level of International hotel standards, which will add to the glory and prestige of the Country and promote tourism.

CORPORATE PROFILE

BOARD OF DIRECTORS:

NON-EXECUTIVE DIRECTORS

MR. MANSOOR F. BAWEJA
Chairman

MR. S.MAHMOOD BAWEJA
Director

MR.MOHSIN BAWEJA
Director

MR.MASROOR F. BAWEJA
Director

MR. ZAHEER BAWEJA
Director

MRS. SHIREEN AHAD
Director

EXECUTIVE DIRECTORS

MR. MUZAFFAR F. BAWEJA
Chief Executive Officer

MR. ZUBAIR BAWEJA
Managing Director

INDEPENDENT DIRECTOR

MR. M.A.MAJEED

AUDIT COMMITTEE:

MR. M.A.MAJEED
Chairman

MR.S. MAHMOOD BAWEJA
Member

MR. MOHSIN BAWEJA
Member

HR & R COMMITTEE:

MR. MASROOR F. BAWEJA
Chairman

MR. ZAHEER BAWEJA
Member

COMPANY SECRETARY:

MR. FAHAD IQBAL KHAN

CHIEF FINANCIAL OFFICER:

SYED HASEEN ANWER

BANKERS:

AL BARAKA BANK (PAKISTAN) LTD.
BANK AL-HABIB LTD.

FAYSAL BANK LTD.

HABIB BANK LTD.

MCB BANK LTD.

MEEZAN BANK LTD

NATIONAL BANK OF PAKISTAN

SILK BANK LTD.

SUMMIT BANK LTD.

UNITED BANK LTD.

AUDITORS:

TANWIR ARIF & CO.
Chartered Accountants

LEGAL ADVISOR:

SOFIA SAEED SHAH

INDEPENDENT SHARE REGISTRAR

F.D.REGISTRAR SERVICES (SMC-PVT) LIMITED
17th FLOOR, SAIMA TRADE TOWER-A
I. I. CHUNDRIGAR ROAD.
KARACHI

REGISTERED OFFICE:

REGENT PLAZA
HOTEL & CONVENTION CENTRE,
195/2, SHAHRAH-E-FAISAL,
KARACHI.

DIRECTORS' REPORT

The Board of Directors of Pakistan Hotels Developers Ltd. is pleased to present the unaudited condensed interim financial statements of the company for the first quarter ended September 30, 2018.

Financial results for the three months period under review are summarized as follows:

For the three-months period ended
30th September

	2018 (Rupees '000)	2017
Sales and services - net	93,522	55,959
Gross profit	41,772	26,003
Loss before taxation	(3,128)	(30,328)
Loss after Taxation	(4,004)	(28,093)
Loss Per share (rupees)	(0.22)	(1.56)

By the Grace of Almighty Allah the Company has been successfully handling the situation caused by the fire incident occurred in December, 2016. As a result of continuous efforts by the management, sales and services increased by Rs.37.563 million which is 67% more as compared to same period of last year. Net loss before tax Rs.3.128 million against Rs.30.328 million as was reported in same quarter of last year. Management of the company determined to work hard and back on profit track Insha-Allah as was before the fire incident.

Short term borrowing of Rs.100 million was taken by the company from the bank in March 2017, Alhamd-o-Lillah more than 50% amount have been repaid at the reporting date and Insha-Allah the full amount will be paid off by the end of current financial year.

Directors have not declared any interim dividend for the quarter ended 30th September, 2018.

No casual vacancy was occurred in the directorship during the reporting quarter.

The Board of Directors express their appreciation to the entire team of the Company, the esteemed guests, the valuable shareholders as well as all the other stakeholders for their confidence and support in such difficult time.

For and on behalf of the Board of Directors

MUZAFFAR F. BAWEJA
Chief Executive

Karachi: 27th October, 2018

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Pakistan Hotels Developers Ltd.

ڈائریکٹرز رپورٹ

پاکستان ہوٹلز ڈویلپرز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے، میں 30 ستمبر 2018 کو اختتام پذیر ہونے والی سہ ماہی کے غیر پڑتال شدہ غیر عبوری مالیاتی معلومات آپ کے سامنے پیش کر رہا ہوں۔

تین ماہ کی مدد کے مالیاتی نتائج مندرجہ ذیل ہیں۔

30 ستمبر
2017 2018
..... (روپے میں 000)

55,959	93,522	سیلز اور سروس - نیٹ
26,003	41,772	دیگر کٹوتی کے بغیر منافع
(30,328)	(3,128)	نقصان قبل ٹیکس
(28,093)	(4,004)	نقصان بعد از اس ٹیکس
(1.56)	(0.22)	نقصان فی شیئر (روپے)

اللہ کے فضل و کرم سے کمپنی دسمبر 2016 میں آگ لگنے کے واقعہ کو بہتر انداز سے حل کرنے کے بعد مسلسل محنت و لگن سے کاروبار میں اضافہ کر رہی ہے اور اس سال گزشتہ سال کے اسی سہ ماہی کے مقابل 37.563 ملین روپے زیادہ آمدنی حاصل کیا جو کہ 67 فیصد زیادہ ہے۔ ٹیکس کٹوتی سے قبل نقصان 3.128 ملین روپے رہا۔ جبکہ گزشتہ سال کے اسی سہ ماہی میں ٹیکس کٹوتی سے قبل نقصان 30.328 ملین روپے تھا۔ کمپنی کی انتظامیہ پختہ یقین کے ساتھ کہہ سکتی ہے کہ کمپنی کو دوبارہ منافع بخش بنائے گی۔ جیسا کہ آگ لگنے سے پہلے تھا۔

کمپنی نے 100 ملین روپے کا مختصر مدتی قرضہ مارچ 2017 کو لیا۔ الحمد للہ نصف سے زیادہ رقم اس رپورٹ کی تاریخ تک ادا کر چکی اور اللہ نے چاہا تو اس سال کے حساباتی اختتام تک پوری رقم ادا کر دیں گے۔

30 ستمبر 2018 کو اختتام پذیر ہونے والی سہ ماہی کے لئے ڈائریکٹرز نے حصہ داران کیلئے کسی بھی قسم کے عبوری منافع کا اعلان نہیں کیا۔

تین ماہ کے عرصے کے دوران بورڈ آف ڈائریکٹرز میں کوئی تبدیلی نہیں ہوئی ہے۔

بورڈ آف ڈائریکٹرز، اپنی کمپنی کے تمام ٹیم ممبر، معزز مہمانوں، معزز حصہ داران اور اسٹیک ہولڈرز کی ایسے مشکل وقت میں ہم پر اعتماد اور حمایت کی حوصلہ افزائی کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے۔

کراچی: 27 اکتوبر 2018

مظفر آئیف ایجو بجا
چیف ایگزیکٹو آفیسر

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Financial Information September, 2018

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2018**

	Unaudited 30.09.2018 ----- (Rupees in '000) -----	Audited 30.06.2018 ----- (Rupees in '000) -----
CAPITAL & LIABILITIES:		
Share Capital Authorized		
30,000,000 ordinary shares of Rs. 10/= each	<u>300,000</u>	<u>300,000</u>
Issued subscribed & paid-up:		
18,000,000 ordinary shares of Rs. 10/= each	<u>180,000</u>	<u>180,000</u>
Capital reserve		
Surplus on revaluation of fixed assets	4,386,324	4,391,280
Revenue reserve		
Un-appropriated profit	<u>70,792</u>	<u>69,840</u>
	<u>4,637,116</u>	<u>4,641,120</u>
Liabilities against assets subject to finance lease	5,558	6,907
Deferred taxation	210,196	212,320
Security deposits	4,180	4,180
Current liabilities:		
Current maturities	4,339	4,612
Accrued mark up	570	740
Short term borrowings	57,458	81,440
Unpaid dividend	14,125	14,125
Unclaimed dividend	10,251	10,251
Creditors, accrued and other liabilities	50,565	41,955
	137,308	153,123
Contingencies and commitments	—	—
	<u>4,994,358</u>	<u>5,017,650</u>

"The annexed notes 1 to10 from an integral part of these financial statements "



Karachi: 27th October, 2018

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Pakistan Hotels Developers Ltd.

	Unaudited 30.09.2018 ----- (Rupees in '000) -----	Audited 30.06.2018 ----- (Rupees in '000) -----
ASSETS:		
Non-current assets		
Fixed assets	4,890,024	4,900,613
Long term deposits	6,080	6,080
Current Assets:		
Stores and spares	1,303	1,219
Stock in trade - food and beverages	432	52
Trade debts un-secured, considered good	40,393	34,018
Advances, prepayments and other receivables	20,579	29,053
Cash and bank balances	35,547	46,615
	98,254	110,957
	<u>4,994,358</u>	<u>5,017,650</u>


MUZAFFAR F. BAWEJA
Chief Executive

 
ZUBAIR BAWEJA **SYED HASEEN ANWER**
Managing Director Chief Financial Officer

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Financial Information September, 2018


CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE THREE-MONTHS PERIOD ENDED SEPTEMBER 30, 2018
(UN - AUDITED)

	Jul - Sep 2018	Jul - Sep 2017
	----- (Rupees in '000) -----	
Turnover	106,952	63,253
Sales tax and other taxes	(13,430)	(7,294)
Sales and services - net	93,522	55,959
Cost of sales & services	(51,750)	(29,956)
Gross profit	41,772	26,003
Administrative, selling & general expenses	(42,873)	(54,095)
Other operating income	125	237
Operating loss	(976)	(27,855)
Financial charges	(2,152)	(2,473)
Net loss before taxation	(3,128)	(30,328)
TAXATION		
Current	(3,000)	—
Prior	—	—
Deferred	2,124	2,235
	(876)	2,235
Net loss after taxation	(4,004)	(28,093)
Basic & diluted loss per share (Rupees)	(0.22)	(1.56)


"The annexed notes 1 to 10 from an integral part of these financial statements "


MUZAFFAR F. BAWEJA
 Chief Executive

Karachi: 27th October, 2018


ZUBAIR BAWEJA
 Managing Director

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SYED HASEEN ANWER
 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE - MONTHS PERIOD ENDED SEPTEMBER 30, 2018
(UN - AUDITED)

	Jul - Sep 2018	Jul - Sep 2017
	----- (Rupees in '000) -----	
Net loss after taxation	(4,004)	(28,093)
Other comprehensive income	—	—
Total comprehensive loss	(4,004)	(28,093)

"The annexed notes 1 to 10 from an integral part of these financial statements "


MUZAFFAR F. BAWEJA
 Chief Executive
 Karachi: 27th October, 2018


ZUBAIR BAWEJA
 Managing Director

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SYED HASEEN ANWER
 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE-MONTHS PERIOD ENDED SEPTEMBER 30, 2018
(UN - AUDITED)

	30.09.2018	30.09.2017
Note	-----	(Rupees in '000)-----
Cash flow from operating activities:		
Net loss before taxation	(3,128)	(30,328)
Adjustments for		
Depreciation	11,591	12,165
Financial charges	251	307
	<u>11,842</u>	<u>12,472</u>
Operating profit before working capital charges	8,714	(17,856)
(Increase)/Decrease in operating assets:		
Stores and spares	(84)	137
Stock in trade	(380)	(565)
Trade debts	(6,375)	(18,644)
Advances, prepayments & other receivables	13,825	15,390
	<u>6,986</u>	<u>(3,682)</u>
	15,700	(21,538)
Increase/(Decrease) in operating liabilities		
Accrued markup	(170)	(120)
Creditors, accrued & other liabilities	1,464	7,802
	<u>1,294</u>	<u>7,682</u>
Cash generated from operations	16,994	(13,856)
Income tax paid	(5,351)	(1,125)
Net cash from operating activities	11,643	(14,981)
Cash flow from investing activities:		
Payment against purchase of fixed assets	—	—
Capital work in progress	(1,002)	(16,560)
Net cash from investing activities	<u>(1,002)</u>	<u>(16,560)</u>
	10,641	(31,541)
Cash flow from financing activities:		
Lease rental payments	(1,422)	(1,137)
Advances & deposits	(451)	(659)
	<u>(1,873)</u>	<u>(1,796)</u>
Net increase in cash and bank balances	8,768	(33,337)
Cash and cash equivalent at July 01	(40,247)	(25,927)
Cash and cash equivalent at September 30	<u>(31,479)</u>	<u>(59,264)</u>

"The annexed notes 1 to 10 from an integral part of these financial statements."

MUZAFFAR F. BAWEJA

Chief Executive

Karachi: 27th October, 2018

ZUBAIR BAWEJA

Managing Director

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SYED HASEEN ANWER

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTHS PERIOD ENDED SEPTEMBER 30, 2018
(UN - AUDITED)

	Share Capital	Capital reserve Revaluation surplus on property plant and equipment	Revenue reserve Unappropriated profit	Total
	-----	(Rupees in '000)-----	-----	-----
Balance as at June 30, 2017 as-previously reported	180,000	—	68,059	248,059
Impact of restatement	—	4,412,147	—	4,412,147
Balance as at June 30, 2017 as-restated	180,000	4,412,147	68,059	4,660,206
Transferred from Surplus on revaluation of fixed assets (net of tax)	—	(5,217)	5,217	—
Total comprehensive loss for the three-months period ended September 30, 2017	—	—	(28,093)	(28,093)
Balance as at September 30, 2017	<u>180,000</u>	<u>4,406,930</u>	<u>45,183</u>	<u>4,632,113</u>
Balance as at June 30, 2018	180,000	4,391,280	69,840	4,641,120
Transferred from surplus on revaluation of fixed assets (net of tax)	—	(4,956)	4,956	—
Total comprehensive loss for the three-months period ended September 30, 2018	—	—	(4,004)	(4,004)
Balance as at September 30, 2018	<u>180,000</u>	<u>4,386,324</u>	<u>70,792</u>	<u>4,637,116</u>

"The annexed notes 1 to 10 from an integral part of these financial statements"

MUZAFFAR F. BAWEJA

Chief Executive

Karachi: 27th October, 2018

ZUBAIR BAWEJA

Managing Director

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SYED HASEEN ANWER

Chief Financial Officer

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THREE-MONTHS PERIOD ENDED SEPTEMBER 30, 2018

- 1) Pakistan Hotels Developers Limited was incorporated and domiciled in 1979 at Karachi. Pakistan under the Companies Act, 1913 (now Companies Act, 2017) as a private limited company and converted into public limited company in 1981. The company is listed with Pakistan Stock Exchange Ltd. The registered office of the company is situated at 195/2, Shahrah-e-Faisal, Karachi. The company is principally engaged in hotel business and owns and operates a Five Star Hotel known as Regent Plaza Hotel and Convention Centre, Karachi.
- 2) This condensed interim financial information of the company for the three months period ended September 30, 2018 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of the directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act 2017 have been followed.
- 3) These interim condensed financial statements are being circulated to shareholders as required under Section 237 of the Companies Act, 2017 and Stock Exchange Listing Regulations..
- 4) The comparative statement of financial position presented in the interim financial information has been extracted from the audited financial statements of the Company for the year ended June 30, 2018. The comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are stated from un-audited condensed interim financial information for the three-month period ended September 30, 2017.
- 5) The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended June 30, 2018.
- 6) Additions to the fixed assets during the period is Rs. -NIL- (2017: NIL.)). The cost of assets disposed off during the period is Rs. NIL (2017: Rs. NIL). Addition in capital work in progress is Rs. 1.002 million (2017: Rs. 16.560 Million)).

- 7) There is no significant change in contingent liabilities of the company since last annual balance sheet date.

- 8) **Cash and cash equivalent**

	30-09-2018	30-09-2017
	----- (Rupees in '000) -----	
Cash and bank balances	35,547	31,287
Short term running finance - Summit Bank	(57,458)	(84,003)
Bank overdrafts - Faysal Bank	(9,568)	(6,548)
	<u>(31,479)</u>	<u>(59,264)</u>

08.1 These are included in creditors, accrued and other liabilities and represent the balance as per books without any corresponding facility from the bank.

- 9) Figures have been rounded off to the nearest thousand rupees.

- 10) This interim financial statements were authorized for issue on 27th October, 2018 by the Board of Directors of the Company

MUZAFFAR F. BAWEJA
Chief Executive

ZUBAIR BAWEJA
Managing Director

SYED HASEEN ANWER
Chief Financial Officer

Karachi: 27th October, 2018

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Pakistan Hotels Developers Ltd.