



Condensed Interim Financial Information

Six Months Period Ended
December 31, 2020
(Un-audited)

PAKISTAN HOTELS DEVELOPERS LIMITED

This page left blank



Vision and 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. S. Mahmood Baweja
Chairman

Mrs. Shahina Khalid
Director

EXECUTIVE DIRECTORS

Mr. Muzaffar F. Baweja
Chief Executive Officer

Mr. Zubair Baweja
Managing Director

INDEPENDENT DIRECTOR

Mr. M.A. Majeed

Mr. Imran Rehman Memon

Mr. Jawed Ahmed

AUDIT COMMITTEE:

Mr. Jawed Ahmed
Chairman

Mr. Imran Rehman Memon
Member

Mr. M.A. Majeed
Member

HR & R COMMITTEE:

Mrs. Shahina Khalid
Chairperson

Mr. Jawed Ahmed
Member

Mr. M.A. Majeed
Member

COMPANY SECRETARY:

M. Taha Ali Khan

CHIEF FINANCIAL OFFICER:

Syed Haseen Anwer

BANKERS:

Al Baraka Bank (Pakistan) Ltd.

Bank Al-Habib Ltd.

Bankislami Pakistan Ltd.

Faysal Bank Ltd.

Habib Bank Ltd.

Meezan Bank Ltd.

National Bank of Pakistan

Summit Bank Ltd.

United Bank Ltd.

AUDITORS:

Clarkson Hyde Saud Ansari
Chartered Accountants

LEGAL ADVISOR:

Mukesh K. Sharma

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, Mezzanine Floor,
195/2, Shahrah-e-Faisal, Karachi.

DIRECTORS' REPORT

The Board of Directors of Pakistan Hotels Developers Ltd. (PHDL) presents the unaudited condensed interim financial information on the performance of the company for the six months period ended December 31, 2020 along with review report of the statutory auditors.

An unpredictable situation arises all over the world due to COVID-19 outbreak (Pandemic disease) that badly affected economy specially airline and hotel business. Our country also suffered the same situation that bring down the GDP growth in negative.

The period under review was not good for the company due to the uncertainty in the country's economy, COVID-19 outbreak and lockdown in the city. Almost for 5 months business operation remained suspended. From 10th August 2020 business operation gradually resumed but business response were not good. These factors have badly affected our business.

Financial results for the six months period ended December 31, 2020 are summarized below:

	For the six months period ended December 31	
	2020	2019
 Rupees in '000)	
Sales and services-net	112,135	227,514
Gross profit	30,605	99,380
(Loss)/Profit before taxation	(22,272)	29,730
(Loss)/Profit after taxation	(18,780)	25,194
(Loss)/Earnings per share (Rupees)	(1.04)	1.40

During the six months period under review, total revenue is decreased by Rs.115 million which is 51% low as compared to same corresponding period of last year. 2nd quarter comparatively better from 1st quarter of the prevailing financial year. Earnings per share in the second quarter is Rs. 0.40 but cumulative of six months resulted a loss of Rs.1.04 per share. We hope and pray to Almighty Allah the remaining two quarter of this financial year will be better than the 1st two quarters and company will succeed to earn profit.

Rehabilitation work in restaurants and in guestrooms are in progress.

During the period, we paid in exchequer of Rs.17 million in terms of sale tax and other taxes.

No casual vacancy was occurred in the directorship of the company in reporting period.

Directors have not declared any dividend for the quarter ended December 31, 2020.

The Board of Directors wishes to express their appreciation to the entire team of the company, the esteemed guest, the valuable shareholders, banks as well as all other stake holders for their confidence and support.

For and on behalf of the Board of Directors


Zubair Baweja
Managing Director


Muzaffar F. Baweja
Chief Executive

Karachi: 25th February, 2021

ڈائریکٹرز رپورٹ

پاکستان ہولڈرز ویلیرز لمیٹڈ کے بورڈ آف ڈائریکٹرز (پی۔ ایچ۔ ڈی۔ ایل) کی جانب سے، 31 دسمبر 2020 کو اختتام پذیر ہونے والی چھ ماہ کی مدت کے لئے کمپنی کی کارکردگی کے بارے میں غیر پڑتال شدہ غیر عبوری مالیاتی بیانات آپ کے سامنے پیش کرتے ہیں اور اس کے ساتھ ہی قانونی آڈیٹر کی جائزہ رپورٹ بھی پیش کرتے ہیں۔

COVID-19 (وبائی بیماری) پھیلنے اور معیشت کو خاص طور پر ایئر لائن اور ہوٹلوں کے کاروبار کو بری طرح متاثر کیا اور پوری دنیا میں ایک غیر یقینی صورتحال پیدا ہوئی ہے اور ہمارے ملک کو بھی اسی صورتحال کا سامنا کرنا پڑا اور اس کا نتیجہ منفی جی ڈی پی کی صورت میں نکلا۔ ملکی معیشت میں غیر یقینی صورتحال COVID-19 پھیلنے اور شہر میں لاک ڈاؤن کی وجہ سے کمپنی کیلئے زیر جائزہ مدت بہتر نہیں تھی، تقریباً 5 ماہ کے لئے کاروباری آپریشن معطل رہا، 10 اگست 2020 سے کاروباری آپریشن دوبارہ شروع ہوا لیکن کاروباری حساب سے اب تک اچھا نہیں ہے۔ ان عوامل نے ہمارے کاروبار کو بری طرح متاثر کیا ہے۔

31 دسمبر 2020 کو ختم ہونے والی چھ ماہ کی مدت کے مالی نتائج ذیل میں پیش کیے گئے ہیں:

چھ ماہ کی مدت کے اختتام پر

2019	2020	
(روپے '000)		
227,514	112,135	فروخت اور خدمات - خالص
99,380	30,605	مجموعی منافع
29,730	(22,272)	نیکس لگانے سے پہلے (نقصان / منافع)
25,194	(18,780)	نیکس لگانے کے بعد (نقصان / منافع)
1.40	(1.04)	(نقصان) / آمدنی فی شیئر (روپے)

اس سال کی چھ ماہ کی مدت کے دوران آمدنی میں 115 ملین روپے کی کمی واقع ہوئی ہے۔ جو گذشتہ سال کے اسی عرصے کے مقابلے میں 51 فیصد کم ہے۔ موجودہ مالی سال کی پہلی سہ ماہی سے دوسری سہ ماہی نسبتاً بہتر ہے۔ دوسری سہ ماہی میں حصص کی آمدنی 0.40 روپے لیکن چھ ماہ کے مجموعی نتیجہ میں فی حصص 1.04 روپے کا نقصان ہوا۔ ہم امید کرتے ہیں اور اللہ رب العزت سے دعا کرتے ہیں کہ اس مالی سال کا باقی دوسرا سہ ماہی پہلے دوسرا سہ ماہیوں سے بہتر ہوگا اور کمپنی نفع حاصل کرنے میں کامیاب ہوگی۔

ریٹورن اور گیسٹ رومز میں بحالی کا کام جاری ہے۔

چھ ماہ کے عرصے کے دوران کمپنی کی ڈائریکٹر شپ میں کوئی جگہ خالی نہیں ہوئی۔

اس عرصے کے دوران، ہم نے نیکس اور دیگر ٹیکسوں کے حساب میں 17 ملین روپے تو می خزانے میں ادائیگی کی۔

ڈائریکٹرز نے 31 دسمبر 2020 کو ختم ہونے والی چھ ماہ میں کسی بھی عبوری منافع کا اعلان نہیں کیا ہے۔

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

بورڈ آف ڈائریکٹرز کی طرف سے

مظفر ایف بوجیا
چیف ایگزیکٹو آفیسر

زیبیر بوجیا
چیف ڈائریکٹر

کراچی: 25 فروری 2021

INDEPENDENT AUDITOR'S REVIEW REPORT

To The Members of Pakistan Hotels Developers Limited

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Pakistan Hotels Developers Limited** (the Company) as at December 31, 2020, the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the condensed interim financial statements for the six-months' period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2020 and 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2020.

Scope of Review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's review report is **SAUD ANSARI**.



Clarkson Hyde Saud Ansari

Chartered Accountants

Karachi

Dated: February 25, 2021

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

(Un-Audited)

	Note	Un-Audited DEC. 2020	Audited JUN, 2020
(Rupees in '000)			
CAPITAL AND LIABILITIES			
Share capital			
Authorized			
30,000,000 ordinary shares of Rs.10/- each		<u>300,000</u>	<u>300,000</u>
Issued, subscribed and paid-up			
18,000,000 ordinary shares of Rs. 10/- each		180,000	180,000
Capital reserve			
Surplus on revaluation of fixed assets - net of tax		9,044,658	9,057,312
Revenue reserve			
Unappropriated profit		126,499	132,625
		<u>9,351,157</u>	<u>9,369,937</u>
Liabilities against assets subject to finance lease		323	692
Deferred taxation		246,575	251,743
Security deposits		4,430	4,430
		251,328	256,865
Current liabilities			
Current maturities		2,370	4,250
Accrued mark up		15	33
Unpaid dividend		14,451	14,451
Unclaimed dividend		10,251	10,251
Creditors, accrued and other liabilities		60,498	64,396
		87,585	93,381
Contingencies and commitments	5	—	—
		<u>9,690,070</u>	<u>9,720,183</u>

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

"See Auditors' Review Report"

Karachi: 25th February, 2021

	Note	Un-Audited DEC. 2020 (Rupees in '000)	Audited JUN, 2020
ASSETS			
Non-current assets			
Fixed assets		9,581,302	9,607,906
Long term deposits		6,080	6,080
Current assets			
Stores and spares		1,344	1,613
Stock in trade - food and beverages		832	652
Trade debts un-secured considered good		26,690	16,254
Advances, prepayments and other receivables		40,653	39,647
Cash and bank balances		33,169	48,031
		102,688	106,197
		9,690,070	9,720,183


MUZAFFAR F. BAWEJA
 Chief Executive Officer


ZUBAIR BAWEJA
 Managing Director


SYED HASEEN ANWER
 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

for the Six-Month Period Ended December 31, 2020

(Un-Audited)

	Quarter ended December 31,		Half year ended December 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
Turnover	97,927	164,304	126,756	260,550
Sales tax and other taxes	(11,281)	(21,964)	(14,621)	(33,036)
Sales and services - net	86,646	142,340	112,135	227,514
Cost of sales and services	(48,254)	(67,605)	(81,530)	(128,134)
Gross profit	38,392	74,735	30,605	99,380
Operating expenses				
Administrative, selling and general expenses	(32,103)	(35,995)	(52,832)	(70,045)
Other operating income	77	336	146	1,034
Operating profit / (loss)	6,366	39,076	(22,081)	30,369
Financial charges	(77)	(307)	(191)	(639)
Net profit / (loss) before taxation	6,289	38,769	(22,272)	29,730
Taxation				
Current	(2,000)	(7,000)	(2,000)	(12,000)
Prior year	324	2,066	324	2,066
Deferred	2,584	2,699	5,168	5,398
	908	(2,235)	3,492	(4,536)
Net profit / (loss) after taxation	7,197	36,534	(18,780)	25,194
Earning / (loss) per share				
– Basic (Rupees)	0.40	2.03	(1.04)	1.40
– Diluted (Rupees)	0.40	2.03	(1.04)	1.40

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

"See Auditors' Review Report"


MUZAFFAR F. BAWEJA
 Chief Executive Officer


ZUBAIR BAWEJA
 Managing Director


SYED HASEEN ANWER
 Chief Financial Officer

Karachi: 25th February, 2021

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

for the Six-Month Period Ended December 31, 2020

(Un-Audited)

	Quarter ended December 31,		Half year ended December 31,	
	2020	2019	2020	2019
	(Rupees in '000)		(Rupees in '000)	
Net profit / (loss) after taxation	7,197	36,534	(18,780)	25,194
Other comprehensive Income	—	—	—	—
Total comprehensive income / (loss)	<u>7,197</u>	<u>36,534</u>	<u>(18,780)</u>	<u>25,194</u>

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

"See Auditors' Review Report"


MUZAFFAR F. BAWEJA
 Chief Executive Officer


ZUBAIR BAWEJA
 Managing Director


SYED HASEEN ANWER
 Chief Financial Officer

Karachi: 25th February, 2021

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

for the Six-Month Period Ended December 31, 2020

(Un-Audited)

	Share Capital	Capital Reserve Revaluation surplus on property (Land and Building)	Revenue reserve Unappro- priated profit	Total
	(Rupees in '000)			
Balance as at June 30, 2019	180,000	9,077,436	104,817	9,362,253
Transferred from Surplus on revaluation of fixed assets (net of tax)	—	(13,214)	13,214	—
Total comprehensive income for the half year ended December 31, 2019	—	—	25,194	25,194
Balance as at December 31, 2019	<u>180,000</u>	<u>9,064,222</u>	<u>143,225</u>	<u>9,387,447</u>
Balance as at June 30, 2020	180,000	9,057,312	132,625	9,369,937
Transferred from Surplus on revaluation of fixed assets (net of tax)	—	(12,654)	12,654	—
Total comprehensive loss for the half year ended December 31, 2020	—	—	(18,780)	(18,780)
Balance as at December 31, 2020	<u>180,000</u>	<u>9,044,658</u>	<u>126,499</u>	<u>9,351,157</u>

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

"See Auditors' Review Report"


MUZAFFAR F. BAWEJA
 Chief Executive Officer


ZUBAIR BAWEJA
 Managing Director


SYED HASEEN ANWER
 Chief Financial Officer

Karachi: 25th February, 2021

CONDENSED INTERIM STATEMENT OF CASH FLOWS

for the Six-Month Period Ended December 31, 2020

(Un-Audited)

	2020	2019
Notes	(Rupees in '000)	
Cash flow from operating activities:		
Net (loss) / profit before taxation	(22,272)	29,730
Adjustments for non cash items and other items		
Depreciation	26,604	27,427
Financial charges of lease assets	191	639
Gain on disposal of fixed assets	—	(647)
	26,795	27,419
(Increase)/decrease in operating assets:	4,523	57,149
Stores and spares	269	183
Stock in trade - Food and Beverages	(180)	(406)
Trade debts	(10,436)	(36,634)
Advances, prepayments and other receivables	1,718	1,608
	(8,629)	(35,249)
Increase/(decrease) in operating liabilities	(4,106)	21,900
Creditors and accrued liabilities	(9,102)	4,125
Cash generated from operations	(13,208)	26,025
Income tax paid	(2,400)	(8,000)
	(15,608)	18,025
Cash flow from investing activities:		
Acquisition of fixed assets	—	(1,939)
Capital work-in-progress	—	(1,503)
Disposal of fixed assets	—	3,500
Long term deposits	—	—
Net cash from investing activities	—	58
Cash flow from financing activities:		
Dividends paid	—	(23)
Repayment of finance lease	(2,440)	(2,526)
Long term advances and deposits	—	(1,010)
Short term borrowings	—	(2,500)
Accrued markup	(18)	(7)
Net cash used in financing activities	(2,458)	(6,066)
Net (decrease)/increase in cash and cash equivalent	(18,066)	12,017
Cash and cash equivalent at July 01	37,606	22,427
Cash and cash equivalent at December 31	19,540	34,444

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

"See Auditors' Review Report"

MUZAFFAR F. BAWEJA

Chief Executive Officer

Karachi: 25th February, 2021

ZUBAIR BAWEJA

Managing Director

SYED HASEEN ANWER

Chief Financial Officer

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the Six-Month Period Ended December 31, 2020

01. The Company and its operations

Pakistan Hotels Developers Limited was incorporated and domiciled in 1979 at Karachi, Pakistan under the Companies Act, 1913 (now the Companies Act, 2017) as a private limited company and converted into public limited company in 1981. The company is listed with Pakistan Stock Exchange Limited. 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.

02. Basis of preparation of accounts

This condensed interim financial statements is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 ("the Act") and is un-audited but subject to limited scope review by external auditors as required by the Act and Code of Corporate Governance.

This condensed interim financial statements comprises the condensed interim financial position of the Company as at December 31, 2020 and the related 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 together with the notes forming part thereof.

This condensed interim financial statements of the Company for the six month period ended December 31, 2020 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and provisions of and 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.

This condensed interim financial statements does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2020.

Comparative financial position numbers are extracted from the annual financial statement of the Company from the year ended June 30, 2020, whereas comparative statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows are stated from unaudited Condensed interim financial statements of the Company for the six months period ended December 31, 2019.

03. The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2020.

04. Additions to the fixed assets during the period was Rs. -NIL- (2019: Rs.0.1939 million). The cost of assets disposed off during the period was Rs. -NIL- (2019: Rs.17.550 million). Addition in capital work in progress Rs. -NIL- (2019: Rs. 1.503 million).

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

06. Cash and cash equivalent

Cash and bank balances

Overdrawn bank balance - faysal bank

	31-12-2020	31-12-2019
	Rupees in '000	
	33,169	43,106
	(13,629)	(8,662)
	<u>19,540</u>	<u>34,444</u>

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

07. The company's financial risk objectives and policies are consistent with those disclosed in the preceding annual financial statements for the year ended June 30, 2020.

08. Directors have not declared any entitlements to the shareholders for the current period (2019: Rs. NIL) in their meeting held on 25th February, 2021.

09. Figures have been rounded off to the nearest thousand rupees

10. These condensed interim financial statements was authorized for issue by the Board of Directors of the Company in their meeting held on 25th February, 2021.

MUZAFFAR F. BAWEJA
Chief Executive Officer

ZUBAIR BAWEJA
Managing Director

SYED HASEEN ANWER
Chief Financial Officer

Karachi: 25th February, 2021

This page left blank



Main Shahrah-e-Faisal, Karachi - Pakistan.

Tel: +92-21-35657000, Fax: +92-21-35631523

E-mail: headoffice@rphcc.com

Web: www.rphcc.com; www.phdl.com.pk