

AKD HOSPITALITY LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS

**FOR THE SIX-MONTHS PERIOD ENDED
31 DECEMBER 2023**

COMPANY INFORMATION

Board of Directors

Nadeem Saulat Siddiqui Chairman
Kanwar Adeel Zaman Chief Executive Officer
M. Siddiq Khokhar
Samiullah Khan
Uzma Piracha
Muhammad Sohail
Aamir Nazir Dhedhi

Audit Committee

M. Siddiq Khokhar Chairman
Uzma Piracha Member
Aamir Nazir Dhedhi Member

HR & Remuneration Committee

Uzma Piracha Chairperson
M. Siddiq Khokhar Member
Aamir Nazir Dhedhi Member

Risk Management Committee

M. Siddiq Khokhar Chairman
Kanwar Adeel Zaman Member
Muhammad Sohail Member

Chief Financial Officer

Faisal Kasbati

Company Secretary

Syed Haris Ahmed

Auditors

M/s Riaz Ahmed Co., Chartered Accountants

Share Registrar

C & K management Associate (Pvt) Ltd.

Registration Number

0000027

NTN Number

1335738-7

Bankers

MCB Bank Limited
Bank Al Habib Limited
United Bank Limited

Registered Office

511, 5th Floor, Continental Trade Centre,
Main Clifton Road, Block 8, Clifton
Karachi, Pakistan.
Telephone: (92-21) 35302963
Email: info@akdhospitality.com



Directors' Report

On behalf of the Board of Directors of AKD Hospitality Limited (the Company) we are pleased to present un-audited financial statements of the Company for the quarter and six months ended December 31, 2023.

During the period under review, the company achieved gross turnover of PKR. 3 million as compared to PKR 0.2 million during corresponding period last year. Gross profit witnessed an increase, which rose from gross loss to gross profit of 45%. The Net Profit also increased to 17.8% from a Net Loss; gross profit / (loss) increased from PKR (804,158) to PKR 1,363,594 and after tax profit / (loss) increased from PKR (932,386) to PKR 534,472, Profit after tax stood at PKR. 534,472 despite an additional tax burden PKR 433,240 related to prior period tax. The basic earnings per share is reported at PKR 0.21 as compared to loss per share of PKR (0.37) for the corresponding period of last year.

Ongoing political and economic scenario in the country in particular and in the world in general has badly impacted the hospitality business. After the recent election the political instability is expected to be reduced so will be the economic stability. However, your Company was relatively successful in navigating these difficult times. Management is modifying its strategies to suit the conditions to ensure continuous operations in the best possible way.

The Company aim to promote environmental friendly tourism in the country recognizing the long term benefits of environmentally sustainable practices leading to sustainable economic growth for the Company and local economy. Reducing the waste generation, conserving natural resources, educating clientele will increase revenue and reduce operating expenses.

The Company has provided consultancy services for development of hospitality projects to affiliated company. The Company plan to expand such services to other potential clients within its primary line of business.

On behalf of the board, we extend our heartfelt appreciation to the shareholders, employees and clients for their continued confidence and support during this time of unprecedented challenges and look forward to a productive second half of the financial year.

For and on behalf of the Board

Kanwar Adeel Zaman
Chief Executive Officer

Muhammad Siddiq Khokhar
Director

Karachi: February 29, 2024



ڈائریکٹرز کی رپورٹ

اے کے ڈی باسپیٹیلیٹی لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے ہمیں 31 دسمبر 2023 کو ختم ہونے والی سہ ماہی اور چھ ماہ کے لیے کمپنی کے غیر نظر ثانی شدہ مالیاتی گوشوارے پیش کرنے پر خوشی ہے۔

زیر جائزہ مدت کے دوران کمپنی نے 30 لاکھ روپے کا مجموعی کاروباری حجم حاصل کیا جو گذشتہ سال اسی مدت کے دوران 2 لاکھ روپے کا تھا۔ مجموعی منافع میں اضافہ دیکھا گیا جو مجموعی نقصان سے بڑھ کر 45% مجموعی منافع ہو گیا۔ خالص منافع بھی خالص نقصان سے بڑھ کر 17.8% کی سطح تک آ گیا۔ مجموعی منافع / (نقصان) (804,158) روپے سے بڑھ کر 1,363,594 روپے ہو گیا۔ بعد از ٹیکس منافع / (نقصان) (932,386) روپے سے بڑھ کر 534,472 روپے ہو گیا۔ بعد از ٹیکس منافع 534,472 روپے رہا 433,240 روپے کے پچھلے سال کے مزید ٹیکس کے باوجود۔ فی حصص بنیادی آمدنی 0.21 روپے رہی جو گذشتہ سال اسی مدت کے دوران (0.37) روپے نقصان تھی۔

بالخصوص ملک میں جاری سیاسی اور معاشی منظر نامے اور بالعموم دنیا کے حالات نے سیاحت کے کاروبار کو بری طرح متاثر کیا ہے۔ حالیہ انتخابات کے بعد سیاسی عدم استحکام کم ہونے کی توقع ہے جس سے معاشی استحکام بھی آئے گا۔ تاہم، آپ کی کمپنی ان مشکل وقتوں سے گزرنے میں نسبتاً کامیاب رہی۔ انتظامیہ اپنی حکمت عملیوں کو حالات کے مطابق تبدیل کر رہی ہے تاکہ بہترین ممکنہ طریقے سے مسلسل کاروباری سرگرمیوں کو یقینی بنایا جا سکے۔

کمپنی کا مقصد ملک میں ماحول دوست سیاحت کو فروغ دینا ہے۔ کمپنی ماحولیاتی طور پر پائیدار طریقوں کے طویل مدتی فوائد کو تسلیم کرتی ہے جو کمپنی اور مقامی معیشت کے لیے پائیدار اقتصادی ترقی کا باعث بنتے ہیں۔ قدرتی وسائل کا تحفظ، کچرے کی کمی کرنا اور گاہکوں کو تعلیم دینا آمدنی میں اضافہ اور آپریٹنگ اخراجات کو کم کرے گا۔

کمپنی نے ملحقہ کمپنی کو مہمان نوازی کے منصوبوں کی ترقی کے لیے مشاورتی خدمات فراہم کی ہیں۔ کمپنی اس طرح کی خدمات کو اپنے بنیادی کاروبار کے اندر دیگر ممکنہ کلائنٹس تک پھیلانے کا ارادہ رکھتی ہے۔

بورڈ کی جانب سے، ہم حصص یافتگان، ملازمین اور کلائنٹس کو بے مثال آزمائشوں کے اس وقت میں مسلسل اعتماد اور تعاون کے لیے دلی خراج تحسین پیش کرتے ہیں اور مالی سال کے دوسرے نصف میں نتیجہ خیز نتائج کے منتظر ہیں۔

منجانب بورڈ آف ڈائریکٹرز

کنور عدیل زمان

چیف ایگزیکٹو آفیسر

محمد صدیق کھوککر

ڈائریکٹر

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of AKD Hospitality Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of AKD HOSPITALITY LIMITED ("the Company") as at 31 December 2023 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the financial statements for the six-months period then ended (here-in-after referred to as "condensed interim financial statements"). Management is responsible for the preparation and presentation of this 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 other comprehensive income for the three-months period ended 31 December 2023 and 31 December 2022 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the six-months period ended 31 December 2023.

Scope of Review

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

Conclusion

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

The engagement partner on the review resulting in this independent auditor's review report is Junaid Ashraf.



RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

DATE: 29 FEBRUARY 2024
UDIN: RR202310045SfoNUAnr2

AKD HOSPITALITY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 DECEMBER 2023

	Note	Unaudited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	916,211	969,881
Long-term investments	5	18,794,000	10,890,000
Long-term security deposit		20,000	20,000
		19,730,211	11,879,881
CURRENT ASSETS			
Trade debts	6	3,390,000	1,017,000
Prepayments		219,004	-
Other receivable	7	-	2,400,000
Advance income tax		1,334,270	1,252,910
Bank balances		11,932,821	368,953
		16,876,095	5,038,863
		36,606,306	16,918,744
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 100,000,000 (June 2023: 100,000,000) ordinary shares of Rupees 10 each		1,000,000,000	1,000,000,000
Issued, subscribed and paid-up share capital		25,072,733	25,072,733
Capital contribution		20,650,834	9,750,001
Reserves		(18,494,618)	(26,933,090)
TOTAL EQUITY		27,228,949	7,889,644
NON CURRENT LIABILITIES			
Deferred tax liability		162,745	169,878
		162,745	169,878
CURRENT LIABILITIES			
Trade and other payables	8	3,619,609	3,583,977
Contract liability		-	100,000
Provision for taxation		2,308,041	1,888,283
Current & overdue portion of lease liability		810,000	810,000
Unclaimed dividend		2,476,962	2,476,962
		9,214,612	8,859,222
TOTAL LIABILITIES			
Contingencies and commitments	9		
TOTAL EQUITY AND LIABILITIES		36,606,306	16,918,744

The annexed notes from 01 to 15 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

AKD HOSPITALITY LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(UNAUDITED)
FOR THE SIX-MONTHS AND THREE-MONTHS PERIOD ENDED 31 DECEMBER 2023

	Note	Six-Months Period Ended		Three-Months Period Ended	
		31 December		31 December	
		2023	2022	2023	2022
		Rupees	Rupees	Rupees	Rupees
Revenue	10	3,000,000	200,000	1,500,000	-
EXPENSES					
Administrative and general expenses		(1,636,906)	(1,996,360)	(1,136,140)	(1,420,568)
Allowance for expected credit loss		-	(500,000)	-	(250,000)
Finance cost		-	(7,798)	-	(3,141)
Other income		-	1,500,000	-	1,000,000
PROFIT/(LOSS) BEFORE TAXATION		1,363,094	(804,158)	363,860	(673,709)
Taxation					
- Current		(402,515)	(136,000)	(176,456)	(68,000)
- Prior		(433,240)	-	-	-
- Deferred tax		7,133	7,772	-	-
PROFIT/(LOSS) AFTER TAXATION		534,472	(932,386)	187,404	(741,709)
OTHER COMPREHENSIVE INCOME/(LOSS)					
Items that will not be reclassified subsequently to profit or loss:					
- Unrealized gain/(loss) arising on remeasurement of investments at 'fair value through other comprehensive income' - net		7,904,000	(6,270,000)	7,144,000	483,314
Items that may be reclassified subsequently to profit or loss					
Other comprehensive income / (loss) for the period		-	-	-	-
		7,904,000	(6,270,000)	7,144,000	483,314
Total comprehensive income / (loss) for the period		8,438,472	(7,202,386)	7,331,404	(258,395)
Earnings / (loss) per share - basic and diluted	11	0.21	(0.37)	0.07	(0.30)

The annexed notes from 01 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

AKD HOSPITALITY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2023

Description	Issued, subscribed and paid-up share capital	Capital contribution	Reserves				Sub Total	Total Equity
			Capital Reserves		Revenue Reserves			
			Share premium	Fair value reserve on 'Fair value through other comprehensive income' investments	General Reserve	Accumulated Loss		
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at 30 June 2022 - Audited	25,072,733	-	20,891,600	(15,656,000)	752,000	(18,458,861)	(12,471,261)	12,601,472
Loss for the period	-	-	-	-	-	(932,386)	(932,386)	(932,386)
Other comprehensive loss	-	-	-	(6,270,000)	-	-	(6,270,000)	(6,270,000)
Total comprehensive loss for the period	-	-	-	(6,270,000)	-	(932,386)	(7,202,386)	(7,202,386)
Balance as at 31 December 2022 - Unaudited	25,072,733	-	20,891,600	(21,926,000)	752,000	(19,391,247)	(19,673,647)	5,399,086
Transactions with owners:								
-Capital contribution from sponsor during the period	-	9,750,001	-	-	-	-	-	9,750,001
Loss for the period	-	-	-	-	-	(4,029,443)	(4,029,443)	(4,029,443)
Other comprehensive loss	-	-	-	3,230,000	-	-	(3,230,000)	(3,230,000)
Total comprehensive loss for the period	-	-	-	(3,230,000)	-	(4,029,443)	(7,259,443)	(7,259,443)
Balance as at 30 June 2023 - Audited	25,072,733	9,750,001	20,891,600	(25,156,000)	752,000	(23,420,690)	(26,933,090)	(1,860,357)
Transactions with owners:								
-Capital contribution from sponsor during the period	-	10,900,833	-	-	-	-	-	10,900,833
Profit for the period	-	-	-	-	-	534,472	534,472	534,472
Other comprehensive income	-	-	-	7,904,000	-	-	7,904,000	7,904,000
Total comprehensive income for the period	-	-	-	7,904,000	-	534,472	8,438,472	8,438,472
Balance as at 31 December 2023 - Unaudited	25,072,733	20,650,834	20,891,600	(17,252,000)	752,000	(22,886,218)	(18,494,618)	6,578,115

The annexed notes from 01 to 15 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

AKD HOSPITALITY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2023

	Note	31 December 2023 Rupees	31 December 2022 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		1,363,094	(804,158)
Adjustments for non cash items:			
Depreciation	4	53,670	61,138
Amortization		-	118,820
Finance cost		-	7,798
Operating cash generated from / (used in) before working capital changes		<u>1,416,764</u>	<u>(616,402)</u>
Changes in working capital			
(Increase)/decrease in current assets			
Trade debts		(2,373,000)	(226,000)
Advance and prepayments		(219,004)	(301,338)
Other receivable		2,400,000	(648,155)
Increase/(decrease) in current liabilities			
Trade and other payables		35,632	371,362
Contract liability		(100,000)	-
		<u>(256,372)</u>	<u>(804,131)</u>
Net working capital changes		1,160,392	(1,420,533)
Income tax paid		(497,357)	-
Net cash generated from / (used in) operating activities		663,035	(1,420,533)
CASH FLOW FROM INVESTING ACTIVITIES			
		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
Capital contribution		10,900,833	-
Short term borrowing from associate		-	1,400,000
Net cash flow from financing activities		10,900,833	1,400,000
Net increase/(decrease) in cash and cash equivalents		11,563,868	(20,533)
Cash and cash equivalents at the beginning of the period		368,953	178,768
Cash and cash equivalents at the end of the period		<u>11,932,821</u>	<u>158,235</u>

The annexed notes from 01 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTICE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

AKD HOSPITALITY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 31 DECEMBER 2023

1. THE COMPANY AND ITS OPERATIONS

1.1 AKD Hospitality Limited {"the Company"} was incorporated as a Public Limited Company in the year 1936 under Companies Act, 1913 (Now the Companies Act, 2017). Shares of the Company are quoted on the Pakistan Stock Exchange Limited. During the prior years the Company through special resolution passed in its extra ordinary general meeting held on 01 February 2021 altered the Memorandum of Association by changing its name from "AKD Capital Limited" to "AKD Hospitality Limited" and its principal line of business from "the business of real estate / providing consultancy, projects financing and management, investment in listed securities and to engage in leasing" to "tourism business including hospitality business, motel, destination management services, developing and building tourism attractions and to undertake all ancillary business activities to provide end to end service solutions". The registered office of the Company is situated at 511, fifth floor Continental Trade Center, Clifton, Karachi.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.1 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2023. These condensed interim financial statements are unaudited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

2.1.2 The comparatives in the condensed interim statement of financial position presented in these condensed interim financial statements as at 31 December 2023 have been extracted from the annual audited financial statements for the year ended 30 June 2023, whereas the comparative in condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from unaudited condensed interim financial statements for the six-months period ended 31 December 2022.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

4

4. PROPERTY AND EQUIPMENT	Note	Unaudited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
Written down value at the beginning of the period/ year		969,881	1,092,155
Depreciation charged for the period/ year		(53,670)	(122,274)
Written down value at the closing of the period/ year		<u>916,211</u>	<u>969,881</u>

4.1 Depreciation is charged to administrative and general expenses.

5. LONG TERM INVESTMENTS (Equity Instruments)

Investment in equity securities - at 'fair value through other comprehensive income'

Related parties:

AKD REIT Management Company Limited - unquoted

10,000 (June 2023: 10,000) fully paid ordinary shares of Rupees 10 each. Equity held 0.1% (June 2023: 0.1%) and Cost of Rupees 100,000 (June 2023: Rupees 100,000)

5.1

-

-

Creek Developers (Private) Limited - unquoted

9,800 (June 2023: 9,800) fully paid ordinary shares of Rupees 10 each. Equity held 0.01% (June 2023: 0.01%) and Cost of Rupees 98,000 (June 2023: Rupees 98,000)

5.2

98,000

98,000

Others:

Cnergyico Pk Limited - quoted

3,800,000 (June 2023:3,800,000) fully paid ordinary shares of Rupees 10 each. Equity held 0.07% (June 2023:0.07%) and Cost of Rupees 35,948,000 (June 2023: 35,948,000)

18,696,000

10,792,000

18,794,000

10,890,000

5.1 Investment in AKD REIT Management Company Limited has been fully impaired in prior years. The Company is required to seek prior approval from Securities & Exchange Commission of Pakistan before disposing of this investments.

5.2 This represents investments in the ordinary shares of Creek Developers (Private) Limited (CDPL) that is in the process of building towers. CDPL is currently classified as a level 3 financial assets and is measured at fair value on reporting dates. However due to volatility in the underlying assumptions relevant to the valuation, there is a wide range of possible fair value measurement and cost is considered to represent the best estimate of fair value within that range. This Company is required to seek prior approval from Defense Housing Authority before disposing of this investment.

6. TRADE DEBTS - Considered good & unsecured

Related party:

AKD REIT Management Company

6.1

3,390,000

1,017,000

6.1 This balance represents the billing made against services such as pre-feasibility or feasibility studies for establishing hospitality related businesses.

6.2 The maximum aggregate amount receivable from AKD REIT Management Company at the end of any month during the period was Rupees 3.390 million (June 2023: Rupees 1.017 million).

7. OTHER RECEIVABLE - Considered good & unsecured	Note	Unaudited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
Related Parties - Unsecured			
Creek Developers (Private) Limited (CDPL)	7.1	4,451,084	4,451,084
R.A. Enterprises	7.2	7,700,833	10,100,833
		<u>12,151,917</u>	<u>14,551,917</u>
Less: Allowance for expected credit loss			
As at 01 July		(12,151,917)	9,651,917
Recognized during the period/ year		-	2,500,000
As at 31 December		<u>(12,151,917)</u>	<u>(12,151,917)</u>
		<u>-</u>	<u>2,400,000</u>

7.1 This represents the balance receivable of allocated share of common expenses.

7.2 This balance represents the billing made against consultancy services provided in connection with infrastructure designing of the construction project.

7.3 The maximum aggregate amount receivable from CDPL at the end of any month during the period was Rupees 4.451 million (June 2023: Rupees 4.451 million) were impaired and provided for.

7.4 The maximum aggregate amount receivable from R.A. Enterprises at the end of any month during the period was Rupees 10.101 million (June 2023: Rupees 10.101 million).

8. TRADE AND OTHER PAYABLES

Accrued liabilities		667,108	960,428
Payable to AKD Securities Limited	8.1	1,882,156	1,762,156
Withholding tax payable		439,029	430,891
Provision for workers' welfare fund		294,522	294,522
Sindh sales tax payable		336,794	135,980
		<u>3,619,609</u>	<u>3,583,977</u>

8.1 This represents the balance payable against common expenses paid by AKD Securities Limited (an associated Company).

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

a) The Company written back some old liabilities during the prior years aggregately amounting to Rupees 228,546. In case of demand from creditor in future, the Company will be liable to pay them off.

9.2 Commitments

There were no commitments outstanding as at the reporting date (June 2023: Nil).

10. REVENUE

<u>3,000,000</u>	<u>1,200,000</u>
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This balance represents the billing made under service agreement for provision of services regarding review of third party pre-feasibility or feasibility studies to establish hospitality related business and other ancillary services to the related party.

11. EARNINGS/(LOSS) PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic loss per share of the Company which is based on:

	Unaudited		Unaudited	
	Six-Months Period Ended		Three-Months Period Ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	Rupees	Rupees	Rupees	Rupees
Earnings / (loss) for the period - Rupees	534,472	(932,386)	187,404	(741,709)
Number of ordinary shares in issue - Number	2,507,471	2,507,471	2,507,471	2,507,471
Earnings / (loss) per share - Rupees	0.21	(0.37)	0.07	(0.30)

12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, other related companies and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

	Related party	Relationship	Nature of transaction	Unaudited		Unaudited	
				Six-Months Period Ended		Three-Months Period Ended	
				31 December	31 December	31 December	31 December
				2023	2022	2023	2022
				Rupees	Rupees	Rupees	Rupees
i.	AKD Securities Limited	Common directorship and 2.28% shareholding	Expenses credited	120,000	120,000	-	60,000
			Recovery of receivables	-	351,845	-	351,845
ii.	AKD Group Holdings (Private) Limited	Holding Company	Funds received	-	1,400,000	-	800,000
iii.	R.A. Enterprises	Sponsor's interest	Consultancy income	-	1,500,000	-	1,000,000
			Recovery of receivables	2,400,000	-	-	-
iv.	AKD REIT Management Company Limited	Associate	Revenue	3,000,000	200,000	1,500,000	-
			Recovery of receivables	904,000	-	904,000	-
v.	Mr. Aqeel Karim Dhedhi	Sponsor shareholder	Capital contribution	10,900,833	-	-	-

12.1 The receivable / payable balances with related parties as at 31 December 2023 are disclosed in the respective notes to the condensed interim financial statements.

13. FINANCIAL RISK MANAGEMENT

There have been no significant changes in the risk management policies since the year end.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended 30 June 2023.

14. DATE OF AUTHORISATION

These condensed interim financial statements were approved and authorized for issue on 29/02/24 by the Board of Directors of the Company.

15. GENERAL

- No reclassification / rearrangement of the corresponding figures has been made during the period in these condensed interim financial statements.
- Figures have been rounded off to the nearest Rupee.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER