

**FIRST DAWOOD PROPERTIES LIMITED**

( Formerly: First Dawood Investment Bank Limited)

**Quarter Report**

**31 March 2024**





FIRST DAWOOD PROPERTIES LIMITED

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## CORPORATE INFORMATION

<b>Board of Directors</b>	Mr. Christopher John Aitken Andrew Mr. Muhammad Rizwan-ul Haque Mr. Khurshid A. Khair Mr. Abu Khursheed M. Ariff Mr. Iqbal Ahmed Mr. Asad Ali Sheikh Mrs. Farhat Ali	Chairman Director & CEO (Subject to SECP approval ) Director Director Director (Subject to SECP approval ) Director (Subject to SECP approval ) Director
<b>Audit Committee</b>	Mr. Abu Khursheed M. Ariff Mr. Khurshid A. Khair Mrs. Farhat Ali	Chairman Member Member
<b>HR&amp;R Committee</b>	Mr. Khurshid A. Khair Mr. Abu Khursheed M. Ariff Mrs. Farhat Ali	Chairman Member Member
<b>Chief Financial Officer &amp; Company Secretary</b>	Mr. Syed Musharaf Ali	
<b>Auditors</b>	UHY Hassan Naeem & Co. Chartered Accountants	
<b>Head of Internal Audit</b>	Mr. Sohail Ahmed	
<b>Legal Advisor</b>	Nishtar & Zafar	
<b>Legal counsels</b>	Ansari AG Legal Kabiraji & Talibuddin Khalil Asif Ejaz & Co. Malik and Malik Law Associates Raza Khalil Abbasi	
<b>Bankers</b>	Al-Baraka Islamic Bank Ltd. Bank Al-Habib Ltd. Habib Metropolitan Bank Ltd. MCB Bank Ltd.	
<b>Registered Office Head Office</b>	19 <sup>th</sup> Floor, Tower-B, Saima Trade Tower, I. I. Chundrigar Road, Karachi-74000 PABX: +92 (21) 32270182 FAX: +92 (21)3227-1912 Email : fdib@firstdawood.com URL : www.firstdawood.com	
<b>Share Registrar</b>	F.D. Registrar Services (Pvt) Ltd. 1705, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi-74000 Tel: +92 (21) 3547 8192-93 / 021-32771906 Fax : +92 (21) 3262 1233 / 021-32271905 Email: fdregistrar@hotmail.com, fdregistrar@yahoo.com	

## DIRECTORS' REPORT

IN THE NAME OF ALLAH THE MOST COMPASSIONATE, THE MOST MERCIFUL

Dear Shareholders,

The Board of Directors of First Dawood Properties Limited (FDPL), Formerly First Dawood Investment Bank Limited ("FDIBL" or the "Company") are pleased to present the interim financial statements of the Company for the period ended March 31, 2024.

### Board Composition and Remuneration

1. The total number of directors are 07 as per the following:
  - a. Male: 06
  - b. Female: 01
2. The composition of the board is as follows:

Category	Names
Independent Director	Mr. Khurshid Abul Khair Mr. Abu Khursheed Muhammad Ariff
Chief Executive Officer	Mr. Muhammad Rizwan-ul Haque (Subject to SECP Approval)
Non - Executive Directors	Mr. Christopher John Aitken Andrew Mrs. Farhat Ali Mr. Asad Ali Sheikh (Subject to SECP Approval) Mr. Iqbal Ahmed (Subject to SECP Approval)

Composition of the Board of Directors and Board sub-committees is disclosed in the corporate information section of the report.

Non-Executive Directors are paid a reasonable and appropriate remuneration for attending the Board and/or its committees' meetings. This remuneration is not at a level that could be perceived to compromise independence. No fee is paid to the directors who do not attend a meeting. Similarly, fee is not paid for the proposals considered through circulation.

### Financial Performance

Your company during third quarter of the financial year 2023-24 has reported before-tax profit of Rs.85.915 million as compared to Rs.24.885 million during corresponding period last year. The profit in current year is due to significant cash recoveries. Henceforth, the net-worth of your company has increased from Rs. 580.265 million to Rs. 625.553 million. The earning per share is 0.106 for the period under review.

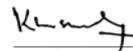
### Acknowledgement

On behalf of First Dawood Properties Limited (FDPL), Formerly First Dawood Investment Bank Limited, we would like to express our gratitude to the worthy shareholders of the Bank for their support, State Bank of Pakistan, Securities and Exchange Commission and other regulatory bodies for their guidance and cooperation We would especially like to recognize hard-work and dedication of our employees who in these testing times and adverse conditions have performed to the best of their abilities with utmost commitment, and look forward to their continued support.

We wish to pray for health & safety of all mankind against the prevailing pandemic, which continues to introduce new waves.

For and on behalf of the Board of Directors.

  
Chief Executive Officer

  
Director

April 24, 2024  
Karachi.

## ڈائریکٹرز کی رپورٹ:

اللہ کے نام سے جو بڑا مہربان نہایت رحم والا ہے

پیارے شیئر ہولڈرز،

فرسٹ داؤد پراپرٹیز لمیٹڈ (FDPL) کے بورڈ آف ڈائریکٹرز، سابقہ فرسٹ داؤد انوسٹمنٹ بینک لمیٹڈ ("FDIBL") یا "کمپنی" 31 مارچ 2024 کو ختم ہونے والی مدت کے لیے کمپنی کے عبوری مالیاتی گوشوارے پیش کرنے پر خوش ہیں۔

بورڈ کی تشکیل اور معاوضہ

1 مندرجہ ذیل کے مطابق ڈائریکٹرز کی کل تعداد 07 ہے۔

a مرد: 06

b عورت: 01

2 بورڈ کی تشکیل حسب ذیل ہے:

قسم	نام
آزاد ڈائریکٹر	جناب خورشید ابوالخیر جناب ابو خورشید محمد عارف
چیف ایگزیکٹو آفیسر	جناب محمد رضوان الحق (SECP کی منظوری سے مشروط)
غیر ایگزیکٹو ڈائریکٹرز	مسٹر کرسٹوفر جان ایٹکن اینڈریو مسز فرحت علی جناب اسد علی شیخ (SECP کی منظوری سے مشروط) جناب اقبال احمد (SECP کی منظوری سے مشروط)

بورڈ آف ڈائریکٹرز اور بورڈ کی ذیلی کمیٹیوں کی تشکیل کا انکشاف رپورٹ کے کارپوریٹ انفارمیشن سیکشن میں کیا گیا ہے۔

غیر ایگزیکٹو ڈائریکٹرز کو بورڈ اور/یا اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے معقول اور مناسب معاوضہ دیا جاتا ہے۔ یہ معاوضہ اس سطح پر نہیں ہے جسے آزادی پر سمجھوتہ کرنے کے لیے سمجھا جا سکتا ہے۔ میٹنگ میں شرکت نہ کرنے والے ڈائریکٹرز کو کوئی فیس ادا نہیں کی جاتی۔ اسی طرح سرکولیشن کے ذریعے زیر غور تجاویز کے لیے فیس ادا نہیں کی جاتی ہے۔

### مالیاتی کارکردگی

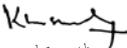
آپ کی کمپنی نے مالی سال 2023-24 کی تیسری سہ ماہی کے دوران 85.915 ملین روپے کا قبل از ٹیکس منافع حاصل کیا ہے جو کہ گزشتہ سال کی اسی مدت کے دوران 24.885 ملین روپے تھا۔ موجودہ سال میں منافع اہم نقدی وصولیوں کی وجہ سے ہے۔ اس کے بعد، آپ کی کمپنی کی مجموعی مالیت روپے سے بڑھ گئی ہے۔ 580.265 ملین سے روپے 625.553 ملین زیر نظر مدت کے لیے فی شیئر آمدنی 0.106 ہے۔

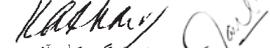
### اعتراف

کی جانب سے فرسٹ داؤد پراپرٹیز لمیٹڈ (FDPL)، سابقہ پہلا داؤد انوسٹمنٹ بینک لمیٹڈ، ہم بینک کے لائق شیئر ہولڈرز کا شکر یہ ادا کرنا چاہتے ہیں کہ ان کی حمایت، اسٹیٹ بینک آف پاکستان، سیکیورٹیز اینڈ ایکسچینج کمیشن اور دیگر ریگولیٹری اداروں کی رہنمائی اور تعاون کے لیے ہم خاص طور پر اپنی محنت اور لگن کو تسلیم کرنا چاہیں گے۔ وہ ملازمین جنہوں نے ان آزمائشی اوقات اور نامساعد حالات میں انتہائی عزم کے ساتھ اپنی صلاحیتوں کا بہترین مظاہرہ کیا ہے، اور ان کے مسلسل تعاون کے منتظر ہیں۔

ہم موجودہ وبائی مرض کے خلاف تمام بنی نوع انسان کی صحت اور حفاظت کے لیے دعا کرنا چاہتے ہیں، جو نئی لہروں کو متعارف کرواتی رہتی ہے۔

بورڈ آف ڈائریکٹرز کے لیے اور اس کی جانب سے۔

  
ڈائریکٹر

  
چیف ایگزیکٹو آفیسر

24 اپریل 2024  
کراچی۔

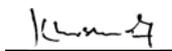
**CONDENSED INTERIM FINANCIAL POSITION**  
AS AT MARCH 31, 2024

	Note	Unaudited MARCH 31, 2024 Rupees	Audited JUNE 30, 2023 Rupees
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property and equipment	6	4,023,159	3,191,066
Investment properties		164,119,237	131,545,474
Net investment in lease finance	7	-	-
Long-term investments	8	239,962,082	186,185,107
Long-term finances	9	-	-
Deferred tax asset	10	142,560,807	212,017,015
		550,665,285	532,938,662
<b>CURRENT ASSETS</b>			
Current portion of non-current assets	11	122,299,217	122,571,727
Short-term investments	12	170,275,428	150,235,436
Available for Sale investment held with Nazir SHC	8.2	63,583,463	61,339,620
Placements and finances	13	-	-
Asset classified held for sale		29,777,000	29,777,000
Loans , advances and prepayments		8,428,888	5,497,587
Mark-up accrued		646,814	554,304
Cash and bank balances		474,479	10,872,569
		395,485,289	380,848,243
		946,150,574	913,786,905
<b>EQUITY AND LIABILITIES</b>			
Ordinary shares		1,483,900,230	1,483,900,230
Reserves		461,558,399	458,550,629
Accumulated loss		(1,432,361,866)	(1,445,066,204)
		513,096,763	497,384,655
Surplus / (Deficit) on revaluation of investments		112,457,099	82,881,125
		625,553,862	580,265,780
<b>NON CURRENT LIABILITIES</b>			
Lease Liabilities		-	10,029
		-	10,029
<b>CURRENT LIABILITIES</b>			
Current portion of long-term liabilities	15	242,415,369	255,418,905
Mark-up accrued		25,256,644	25,256,644
Short term borrowings	15.2	49,774,280	49,774,280
Accrued and other liabilities		1,964,446	2,622,802
Taxation		1,185,973	438,465
		320,596,712	333,511,096
<b>CONTINGENCIES AND COMMITMENTS</b>			
	16	946,150,574	913,786,905

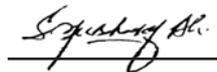
The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements



Chief Executive



Director



Chief Financial Officer

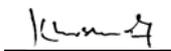
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2024**

	<b>NINE MONTHS ENDED</b>		<b>QUARTER ENDED</b>	
	<b>MARCH 31,</b>		<b>MARCH 31,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Note</b>	<-----Rupees----->		<-----Rupees----->	
<b>INCOME</b>				
Lease income	3,547,846	94,755	835,022	46,484
Return on deposits and investments	29,536,203	22,850,875	5,519,957	9,137,777
Gain on sale of securities	-	371,261	-	-
Income from long-term finances	292,510	445,968	101,350	126,945
Other income	-	734	-	-
	<u>33,376,559</u>	<u>23,763,593</u>	<u>6,456,329</u>	<u>9,311,206</u>
<b>PROVISION / CHANGES IN FAIR VALUE</b>				
(Provision) / reversal for lease losses and doubtful recoveries	44,300,563	26,702,936	4,333,628	596,571
	<u>44,300,563</u>	<u>26,702,936</u>	<u>4,333,628</u>	<u>596,571</u>
	<u>77,677,122</u>	<u>50,466,529</u>	<u>10,789,957</u>	<u>9,907,777</u>
<b>EXPENDITURES</b>				
Administrative expenses	(17,481,786)	(26,324,185)	(5,614,274)	(7,501,010)
Unwinding Discount	(696,464)	(1,822,235)	-	-
Liability Written Back	-	-	-	-
Exchange Gain / (Loss)	(20,772)	-	-	-
Finance cost	(7,120)	(16,736)	(540)	(14,465)
	<u>(18,206,142)</u>	<u>(28,163,156)</u>	<u>(5,614,814)</u>	<u>(7,515,475)</u>
Share of (Loss) / Profit from Associates	26,444,844	2,581,536	-	-
<b>(LOSS) / PROFIT BEFORE TAXATION</b>	<u>85,915,824</u>	<u>24,884,909</u>	<u>5,175,143</u>	<u>2,392,302</u>
<b>TAXATION</b>	<u>(747,508)</u>	<u>(428,500)</u>	<u>-</u>	<u>-</u>
Deferred Tax	(69,456,208)	(6,667,809)	(3,000,000)	-
<b>Taxation</b>	<u>(70,203,716)</u>	<u>(7,096,309)</u>	<u>(3,000,000)</u>	<u>-</u>
<b>PROFIT/ (LOSS) AFTER TAXATION</b>	<u>15,712,108</u>	<u>17,788,600</u>	<u>2,175,143</u>	<u>2,392,302</u>
Earning per share - basic	<u>0.106</u>	<u>0.120</u>	<u>0.015</u>	<u>0.016</u>
Earning per share - diluted	<u>0.106</u>	<u>0.120</u>	<u>0.015</u>	<u>0.016</u>

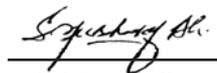
The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements



Chief Executive



Director



Chief Financial Officer

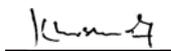
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2024**

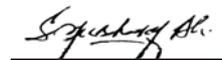
	<i>Nine Months Ended</i>		<i>Quarter Ended</i>	
	<i>March 31,</i>		<i>March 31,</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>&lt;----- Rupees -----&gt;</i>		<i>&lt;----- Rupees -----&gt;</i>	
(Loss) / profit after taxation	15,712,108	17,788,600	2,175,143	2,392,302
Other comprehensive income				
Unrealized remeasurement gain/ (loss) on investment in associates	24,137,394	28,866,065	-	-
Unrealised gain/ (loss) on remeasurement of investment at FVOCI	5,438,580	4,967,292	-	-
	<u>29,575,974</u>	<u>33,833,357</u>	<u>-</u>	<u>-</u>
Total comprehensive (loss) / income for the period	<u>45,288,082</u>	<u>51,621,957</u>	<u>2,175,143</u>	<u>2,392,302</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements



  
 Chief Executive

  
 Director

  
 Chief Financial Officer

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2024

	Share Capital		Statutory Reserve	Premium on Right Issue	Capital Reserve on Acquisition	Revenue Reserve		Total
	Ordinary Shares	Preference Shares				Deficit on Revaluation of Investments	Accumulated Losses	
Balance at July 1, 2022	1,483,900,230	-	402,527,235	53,426,910	2,596,484	47,933,121	(1,460,105,051)	530,278,929
Total comprehensive income for the period	-	-	-	-	-	-	-	-
- Profit for the period	-	-	-	-	-	-	-	-
- Other comprehensive income	-	-	-	-	-	-	15,038,847	15,038,847
Share of Unrealised gain on remeasurement of associates investment	-	-	-	-	-	34,948,004	-	34,948,004
- Surplus on revaluation of investment - At fair value through OCI	-	-	-	-	-	-	-	-
Reclassification of gain to profit and loss account	-	-	-	-	-	-	-	-
Deferred Tax-OCI	-	-	3,007,770	-	-	-	(3,007,770)	-
Transfer to Statutory Reserve	-	-	-	-	-	-	-	-
Balance as at June 30, 2023	1,483,900,230	-	405,535,005	53,426,910	2,596,484	82,881,125	(1,448,073,974)	580,265,780
<b>Balance at July 1, 2023</b>	<b>1,483,900,230</b>	<b>-</b>	<b>405,535,005</b>	<b>53,426,910</b>	<b>2,596,484</b>	<b>82,881,125</b>	<b>(1,448,073,974)</b>	<b>580,265,780</b>
Total comprehensive income for the period	-	-	-	-	-	-	-	-
- Profit for the period	-	-	-	-	-	-	-	-
- Other comprehensive income	-	-	-	-	-	-	-	-
Share of Unrealised gain on remeasurement of associates investment	-	-	-	-	-	29,575,974	-	29,575,974
Transfer to Statutory Reserve	-	-	-	-	-	-	-	-
Reclassification of gain to profit and loss account	-	-	-	-	-	-	-	-
Deferred Tax-OCI	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	1,483,900,230	-	405,535,005	53,426,910	2,596,484	112,457,099	(1,432,361,866)	625,553,862

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements



Chief Executive



Director



Chief Financial Officer

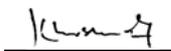
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
FOR THE PERIOD ENDED MARCH 31, 2024

<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Nine Months Ended March 31</b>	
	<b>2024</b>	<b>2023</b>
	<b>Rupees</b>	<b>Rupees</b>
Profit / (Loss) before taxation	85,915,824	24,884,909
Adjustments:		
Depreciation	1,267,907	1,126,236
Finance Income	292,510	445,968
Lease Income	(3,547,846)	94,755
Gain on sale of investments	-	(371,261)
Share of Loss on Investment in Associates	(26,444,844)	2,581,536
Return on deposits and investments	(29,536,203)	-
Finance cost	7,120	16,736
Depreciation on Right of Use Assets	-	(87,245)
Gain / Loss on sale of property and equipment	-	-
Unwinding discount	696,464	1,822,235
Provision / (reversal of provision potential lease)	(44,300,563)	(26,702,936)
Liabilities Written back	-	-
Unrealised (gain)/loss on remeasurement of investment property	-	-
Exchange Gain	20,772	(43,504)
	<u>(101,544,683)</u>	<u>(21,117,480)</u>
	(15,628,859)	3,767,429
<b>Changes in operating assets and liabilities</b>		
<i>(Increase) / decrease in operating assets</i>		
Net investment in lease finance	(11,652,153)	3,600,244
Long-term finances	520,000	19,051,537
Advances and prepayments	2,931,301	(374,123)
Mark up accrued	92,510	773,747
	<u>(8,108,342)</u>	<u>23,051,405</u>
	(23,737,201)	26,818,834
<i>Increase / (decrease) in operating liabilities</i>		
Accrued and other liabilities	(658,356)	(183,019)
	(658,356)	(183,019)
Tax paid	(579,417)	-
Net cash (used)/generated from operating activities	<u>(24,974,974)</u>	<u>26,635,815</u>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	39,787,988	16,869,515
Long-term investments	(56,020,818)	(30,761,854)
Short-term investments	17,796,149	3,020,723
Net cash (used)/generated from investing activities	<u>1,563,319</u>	<u>(10,871,616)</u>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Short Term Borrowings	13,003,536	(14,800,000)
Lease liabilities	10,029	(60,000)
Net cash (used in) from financing activities	<u>13,013,565</u>	<u>(14,860,000)</u>
Net increase / ( decrease) in cash and cash equivalents	(10,398,090)	1,087,218
Cash and cash equivalents at beginning of the period	10,872,569	345,564
Cash and cash equivalents at end of the period	<u>474,479</u>	<u>1,432,782</u>

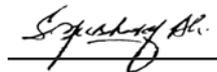
The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements



Chief Executive



Director



Chief Financial Officer

**NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2024****1. STATUS AND NATURE OF BUSINESS**

- 1.1** First Dawood Properties Limited (Formerly First Dawood Investment Bank Limited) ("the Company") was incorporated on June 22, 1994 as a public limited company in Pakistan under the Companies Ordinance, 1984 and is listed on the Karachi Stock Exchange. The registered office of the Company is situated in Karachi, Pakistan. The Company had obtained the licenses for Leasing Business and Investment and Finance Services under Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 ("the Rules") and Non Banking Finance Companies and Notified Entities Regulations, 2008 ("the Regulation") from the Securities and Exchange Commission of Pakistan (SECP). Whereas, the company apart from leasing was also engaged in non-funded activities like; trustee to financial instruments, bankers to publication, guarantees etc. Henceforth, the company has undertaken the decision to operate in an innovative way in the real estate, trading, services and allied sectors, which will also assist the company to earn fee based income. The Company is primarily engaged in the business of real estate, properties and/or any other businesses as mentioned in its Memorandum & Articles of Association.
- 1.2** The Company had applied for registration as a Debt Securities Trustee under Regulation 6(2) of Debt Securities Trustee Regulations, 2012 which was denied by SECP vide its order dated November 22, 2013 against which an appeal has been filed before appellate bench of SECP on December 17, 2013. The appeal is pending. The Company is acting as trustees to Term Finance Certificates / Sukuk issued by House Building Finance Company Limited (sukuk issue), New Allied Electronics Industries (Private) Limited, Saudi Pak Leasing Company Limited, Security Leasing Company Limited and Dewan Cement Limited. The value of assets under trustee as at March 31, 2024 amounted to Rs. 9.04 billion (June 30, 2023: Rs. 9.04 billion).

**2. BASIS OF PREPARATION**

- 2.1** This condensed interim financial information has been prepared in accordance with requirements of the International Accounting Standard (IAS) - 34 "Interim Financial Reporting" and the requirements of Non Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulation), the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), The Companies Act, 2017 (the Ordinance) and directives issued by the SECP. In case where requirement differs, the requirements of the Rules, the Regulations, the Ordinance or directives issued by SECP have been followed.
- 2.2** This condensed interim financial information does not include all of the information and disclosures required for annual financial statements and should be read in conjunction with the financial statements of the Company as at and for the year ended June 30, 2023.
- 2.3** This condensed interim financial information is presented in Pakistan Rupees which is also the Company's functional currency.
- 2.4** This condensed interim financial information is un-audited and is being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange and section 245 of The Companies Act, 2017.

**3. SIGNIFICANT ACCOUNTING POLICIES**

- 3.1** The accounting policies and method of computation adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the Company's annual financial statements for the year ended June 30, 2023.
- 3.2** Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and did not have any impact on the accounting policies of the Company and therefore not stated in this condensed interim financial information.

**4. FINANCIAL RISK MANAGEMENT**

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the financial statements of the Company for the year ended June 30, 2023.

**5. ACCOUNTING ESTIMATES AND JUDGEMENT**

The basis for accounting estimates and judgment adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2023.

## NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2024

		<b>March 31, 2024</b>	<b>June 30, 2023</b>
	<b>Note</b>	<b>Rupees</b>	<b>Rupees</b>
<b>6. PROPERTY, EQUIPMENT AND INTANGIBLE</b>			
Equipment and appliances		1,960,000	-
Vehicles		2,063,163	3,191,070
Intangible asset		-	-
		<u>4,023,163</u>	<u>3,191,070</u>
<b>7. NET INVESTMENT IN LEASE FINANCE</b>			
Net investment in lease finance	7.1	406,045,723	417,697,876
Provision for potential lease losses		(352,681,764)	(364,333,917)
		53,363,959	53,363,959
Current portion		<u>(53,363,959)</u>	<u>(53,363,959)</u>
		-	-
<b>7.1 Particulars of net investment in lease finance</b>			
Minimum lease payments receivable		508,695,969	523,895,969
Residual value of leased assets		250,012	250,012
		<u>508,945,981</u>	<u>524,145,981</u>
Unearned finance income		-	-
Markup held in Suspense		<u>(102,900,258)</u>	<u>(106,448,105)</u>
Net investment in lease finance		<u>406,045,723</u>	<u>417,697,876</u>
<b>7.1.1</b>			
The lease finances carry mark up ranging from 6M KIBOR plus spread of 2% to 5% (June 30, 2023): 6M KIBOR plus spread of 2% to 5%) per annum having maturity up to 5 years and are secured against leased assets.			
		<b>March 31, 2024</b>	<b>June 30, 2023</b>
	<b>Note</b>	<b>Rupees</b>	<b>Rupees</b>
<b>7.2 Provision for potential lease losses</b>			
Opening balance		364,333,917	366,029,165
(Reversal) / charge for the period - net		(11,652,153)	(1,695,248)
Written off during the period		-	-
Closing balance		<u>352,681,764</u>	<u>364,333,917</u>
<b>7.3 Current portion of lease finance</b>			
Maturing within one year		406,045,723	417,697,876
Provision for potential lease losses		(352,681,764)	(364,333,917)
More Than One Year & Less Than Five Years		-	-
		<u>53,363,959</u>	<u>53,363,959</u>
<b>8. LONG TERM INVESTMENTS</b>			
Investment in unlisted	8.1	283,082,600	229,205,460
Saving Certificates		2,079,184	2,079,184
Investment transfer to Nazir		(45,199,702)	(45,099,537)
		<u>239,962,082</u>	<u>186,185,107</u>
<b>8.1 Investment in associates</b>			
Opening balance		168,268,934	139,115,611
Share of reversal of deficit on revaluation of investments recognised in other income		26,444,844	(5,794,681)
Share of reversal of deficit on revaluation of investments at FVOCI recognised in other comprehensive income		24,137,394	34,948,004
		<u>218,851,172</u>	<u>168,268,934</u>

**NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)**  
FOR THE PERIOD ENDED MARCH 31, 2024

		<b>March 31, 2024</b>	<b>June 30, 2023</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>8.2</b>	<b>Investment held with Nazir SHC at FVOCI</b>		
	<b>Note</b>		
	<b>31-Mar-24</b>		<b>30-Jun-23</b>
	Number of Shares		
	6,466,010	6,466,010	Dawood Family Takaful
		45,099,537	41,798,557
	1,477,823	1,477,823	Al Baraka Bank Pakistan Limited
		<u>16,240,083</u>	<u>14,710,400</u>
		61,339,620	56,508,957
	Remeasurement gain/ (loss) on investment of ABPL	2,143,678	1,529,683
	Share of gain/(loss) on investment of DFTL	100,165	3,300,980
		<u>63,583,463</u>	<u>61,339,620</u>
<b>9.</b>	<b>LONG-TERM FINANCES</b>		
	Term finance facilities	151,714,628	152,234,628
	Provision for doubtful finances	(82,779,370)	(83,026,860)
		68,935,258	69,207,768
	Current portion	11	(68,935,258)
		<u>-</u>	<u>(69,207,768)</u>
		<u>-</u>	<u>-</u>
<b>9.1</b>	<b>Particulars of provision for doubtful finances</b>		
	Opening balance	83,026,860	105,102,672
	(Reversal) / charge for the period - net	(247,490)	(22,075,812)
	Provision during the period	-	-
	Closing balance	<u>82,779,370</u>	<u>83,026,860</u>
<b>10.</b>	<b>DEFERRED TAX ASSET</b>		
	Deferred tax asset is recognized in respect of carry forward assessed tax losses/deductible temporary differences to the extent it is probable that there will be future taxable profits against which these losses/deductible temporary differences can be utilized. The Company has prepared a five year business plan which has been approved by the Board of Directors. The said plan involves certain key assumptions underlying the estimation of future taxable profits including injection of fresh equity. The determination of future taxable profit is directly related and sensitive to certain key assumptions such as recoveries of outstanding lease and long term finances, resumption of licenses, expected return on investments and bank balances etc. Any change in the key assumptions may have an effect on the realizability of the deferred tax asset. The Board and management believes that it is probable that the Company will be able to achieve the profits projected in the business plan and deferred tax amounting to Rs. 191.561 million will be realised in the future.		
		<b>March 31, 2024</b>	<b>June 30, 2023</b>
	<b>Notes</b>	<b>Rupees</b>	<b>Rupees</b>
<b>10.1</b>	<b>TAXATION</b>		
	Current Year	747,508	438,465
	Deferred Tax	69,456,208	46,740,671
	Prior Year	-	0
		<u>70,203,716</u>	<u>47,179,136</u>
<b>11.</b>	<b>CURRENT PORTION OF NON-CURRENT ASSETS</b>		
	Net investment in lease finance	7	53,363,959
	Long-term finances	68,935,258	69,207,768
	Long-term loans	-	-
		<u>122,299,217</u>	<u>122,571,727</u>

## NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2024

12. SHORT TERM INVESTMENTS		March 31, 2024	June 30, 2023
<i>Held-for-trading</i>	Note	Rupees	Rupees
Listed ordinary shares		377,664	377,664
<b><i>Available-for-sale</i></b>			
Term finance certificates / sukuk bonds/ Musharaka		170,275,428	150,235,436
Unquoted securities		18,383,761	16,240,083
		<u>188,659,189</u>	<u>166,475,519</u>
Less: provision for impairment in preference shares		(377,664)	(377,664)
Held with Nazir of SHC agianst HBFC Case		<u>(18,383,761)</u>	<u>(16,240,083)</u>
		<u><u>170,275,428</u></u>	<u><u>150,235,436</u></u>
<b>13. PLACEMENTS AND FINANCES</b>			
Placement and finance- unsecured		-	-
Provision for doubtful finances		-	-
Financing against shares		155,158,994	155,185,305
Provision for doubtful finances		(155,158,994)	(155,185,305)
		-	-
Short-term finance - secured		11,300,000	11,300,000
Provision for doubtful finances		(11,300,000)	(11,300,000)
		-	-
Certificates of deposit		5,000,000	5,000,000
Provision for doubtful finances		(5,000,000)	(5,000,000)
		-	-
Morabaha / musharika finances		7,980,667	7,980,667
Provision for doubtful finances		(7,980,667)	(7,980,667)
		-	-
		<u><u>-</u></u>	<u><u>-</u></u>
<b>14 LONG TERM LOANS</b>			
<b><i>Secured</i></b>			
Commercial Banks	15	242,415,369	255,418,905
		242,415,369	255,418,905
Current portion		(242,415,369)	(255,418,905)
		<u>-</u>	<u>-</u>
<b>15 CURRENT PORTION OF LONG TERM LIABILITIES</b>			
Long term loans	14	255,418,905	279,518,905
Repayment During the Period		(13,003,536)	(24,100,000)
Lease Liabilities		-	-
		<u>242,415,369</u>	<u>255,418,905</u>
<b>15.2 SHORT TERM BORROWINGS</b>			
<b><i>Unsecured</i></b>			
Development Financial Institution		49,774,280	49,774,280
		<u>49,774,280</u>	<u>49,774,280</u>

**NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)**  
FOR THE PERIOD ENDED MARCH 31, 2024

15.3 Since the pro-rata release of securities explained in note 13, therefore the company was compelled to adjust the cash & securities held by the Nazir of High court to repay the remaining monthly installments, after the first two installments, which were promptly paid in cash along with markup at rate determined by JCR-VIS credit rating agency i.e. 4.70%. The management is of the opinion that repayments were appropriately made by the company under the situation and that HBFC would not have any additional claim, once the 12-month period awarded by Honorable Supreme Court of Pakistan comes to an end and the repayments, whether in cash or in form of securities ( to be released by nazir SHC) are timely made by the company. Thus to create an unnecessary dispute, the DFI has filed execution in the High court, FDIBL filed an appeal in the High Court against Order. JCR-VIS is an acceptable and justified rate, because it can be verified / recalculated from books of account of HBFC as well. The sum as per aforesaid calculation i.e. as per JCR continues to reflect as accrued liability in the company's account. The company has also filed a petition in the Honorable Hogh Court of Sindh against State Bank of Pakistan for determining cost of fund @ 34.64% which is much higher than the current base interest rate.

	<b>March 31, 2024</b>	<b>June 30, 2023</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>16 CONTINGENCIES AND COMMITMENTS</b>		
<b>16.1 Contingent liabilities</b>		
Letters of comfort / guarantee	<u>715,000,000</u>	<u>1,088,000,000</u>

The guarantees worth Rs. 715.0 million (June 30, 2022: Rs. 715.0 million) are under litigations and are being defended by lawyers of the Company. Based on the opinion of legal advisors of the Company, the management is confident that adequate legal grounds are available to defend these cases. Accordingly, no provision is required to be made for the said cases in this condensed interim financial information. Brief detail of the guarantees under litigations is as under:

- iii. A guarantee of Rs 465 million against the repayment of sukuk has been called which is currently under litigation. Based on the opinion of the legal advisors of the Company, the Company has good merits to defend the case as the guarantee never became operational due to default on the part of trustee of the sukuk issue.
- IV. A guarantee of Rs. 250 million against the repayment of sukuk was called as the principal debtor defaulted in payment of installments of the said sukuk. The Trustee of the sukuk has filed a recovery suit against the Company in the SHC, which is pending adjudication. Based on opinion of the legal advisors of the Company, the Company has good merits to defend the case as in its view the guarantee never became operational on technical grounds of non-fulfilment of pre-conditions.

**17 TRANSACTIONS WITH RELATED PARTIES**

Related parties comprise of major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefit fund, directors, key management personnels and their close family members.

Details of transactions with related parties and balances with them as at period / year-end are as follows: -

	<b>March 31, 2024</b>		<b>June 30, 2023</b>	
	<b>Key Management Personnel</b>	<b>Associates/ Related Parties</b>	<b>Key Management Personnel</b>	<b>Associates/ Related Parties</b>
	<b>Rupees</b>			
<b>Investment in associate</b>				
Balance at beginning of the period / year	-	168,268,934	-	139,115,611
Share of Loss from Associate	-	-	-	-
Disposal of Investment	-	-	-	(5,794,681)
Share of reversal of deficit on revaluation of investments classified in other comprehensive income	-	-	-	-
	-	24,137,394	-	34,948,004
Balance at end of the period / year	<u>-</u>	<u>192,406,328</u>	<u>-</u>	<u>168,268,934</u>

**NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)**  
FOR THE PERIOD ENDED MARCH 31, 2024

	<u>March 31, 2024</u>		<u>June 30, 2023</u>	
	<i>Key Management Personnel</i>	<i>Associates/ Related Parties</i>	<i>Key Management Personnel</i>	<i>Associates/ Related Parties</i>
	----- Rupees -----			
<b>Long term finances / loans</b>				
Short term Loan	-	94,000,000	-	110,000,000
Unearned rent	-	-	-	-
Long term finance	-	-	-	-
Term Finance Certificates / Sukuk bonds	-	-	-	-
Disposal of Fixed Asset Cost	-	-	-	-
	-	<u>94,000,000</u>	-	<u>110,000,000</u>

	<u>March 31, 2024</u>		<u>June 30, 2023</u>	
	<i>Key Management Personnel</i>	<i>Associates/ Related Parties</i>	<i>Key Management Personnel</i>	<i>Associates/ Related Parties</i>
<b>Charge to profit and loss account</b>				
Common expenses paid	-	125,520	-	487,456
Share of (loss) / profit from associate	-	26,444,844	-	548,524
Share of common expenses received	-	-	-	-
Rental income	-	-	-	-
Rental expense	-	30,000	-	120,000
Takaful expense	-	50,814	-	193,896
	-	<u>26,651,178</u>	-	<u>1,349,876</u>

**18 DATE OF AUTHORIZATION FOR ISSUE**

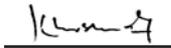
These condensed interim financial statements were authorised for issue on April 24, 2024 by the Board of Directors of the Company.

**19 GENERAL**

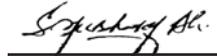
Figures have been rounded off to the nearest Rupee.



Chief Executive



Director



Chief Financial Officer

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**FIRST DAWOOD PROPERTIES LIMITED**  
( Formerly: First Dawood Investment Bank Limited )  
19th Floor, Tower-B, Saima Trade Tower,  
I. I. Chundrigar Road, Karachi-74000



## FIRST DAWOOD PROPERTIES LIMITED

( Formerly: First Dawood Investment Bank Limited )

**Head Office:**

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