

**AKD Hospitality Limited**  
**Quarterly Report**  
**For the period ended**  
**30 September 2024**

# COMPANY INFORMATION

<b>Board of Directors</b>	<b>Human Resource and Remuneration Committee</b>	<b>Share Registrar</b>
Nadeem Saulat Siddiqui Chairman	Uzma Piracha Chairperson	C & K management Associate (Pvt) Ltd. M-13, Progressive Plaza, Plot No. 5 - CL - 10, Civil Lines Quarter, Beaumont Road, Karachi - 75530, Pakistan.
Kanwar Adeel Zaman Director / Chief Executive	Aamir Nazir Dhedhi Member	Tel: +92 21-35685930   +92 21-35687839 Fax: +92 21 35687839
M. Siddiq Khokhar Director	M. Siddiq Khokhar Member	<b>Registered Office</b>
Muhammad Sohail Director	<b>Risk Management Committee</b>	511, 5th Floor, Continental Trade Centre, Main Clifton Road, Block 8, Clifton Karachi, Pakistan.
Huma Khurram Rashid Paracha Director	M. Siddiq Khokhar Chairman	Telephone: (92-21)35302977 Email: info@akdhospitality.com
Aamir Nazir Dhedhi Director	Kanwar Adeel Zaman Member	<b>Bankers</b>
Uzma Piracha Director	Muhammad Sohail Member	MCB Bank Limited Bank Al Habib Limited United Bank Limited
Syed Haris Ahmed Company Secretary	<b>Management Committee</b>	
<b>Audit Committee</b>	Kanwar Adeel Zaman Director / Chief Executive	
M. Siddiq Khokhar Chairman	Faisal Kasbati Chief Financial Officer	
Aamir Nazir Dhedhi Member	<b>Auditors</b>	
Uzma Piracha Member	M/s Riaz Ahmad Co., Chartered Accountants	
Muhammad Gulraiz Secretary & Head of Internal Audit		



## 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 ended September 30, 2024.

During the period under review, the Company maintained gross turnover of Rs. 1.5 million as compared to the corresponding period during last year. Operating profit showed slight decrease from 67% to 53% due to increase in administrative expenses. Profit after tax also reduced from Rs. 864,734/- to Rs. 643,686/- and registered a reduction of 26%.

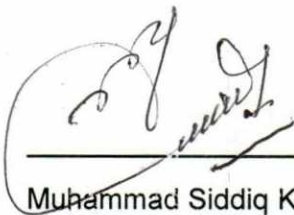
The Basic earnings per share is reported during the period at Rs. 0.26 compared to Rs. 0.34 during corresponding period of the last year.

Improving economic conditions and declining financing cost is expected to increase the economic activity in the country and this will result in increase in purchasing power of people which is expected to generate the growth in hospitality industry. However, the industry is facing various challenges and the Company 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 provide consultancy services for the 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 challenges and look forward to a productive second quarter of the financial year.



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Muhammad Siddiq Khokhar

Director:



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Kanwar Adael Zaman

Chief Executive Officer

Karachi: October 30, 2024



## ڈائریکٹرز کی رپورٹ

اے کے ڈی ہاسپٹیلٹی لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے ہمیں 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرنے پر خوشی ہے۔

زیر جائزہ مدت کے دوران، کمپنی نے 1.5 ملین روپے کا مجموعی کاروباری حجم برقرار رکھا پچھلے سال کی اسی مدت کے مقابلے میں۔ انتظامی اخراجات میں اضافے کی وجہ سے آپریٹنگ منافع میں 67% سے 53% تک کی معمولی کمی واقع ہوئی۔ بعد از ٹیکس منافع بھی 864,734 روپے سے کم ہو کر 643,686 روپے ہوا اور اس میں 26% کی کمی درج کی گئی۔

اس مدت کے دوران فی حصص کی بنیادی آمدنی 0.26 روپے رہی روپے گزشتہ سال کی اسی مدت کے دوران 0.34 روپے کے مقابلے میں۔

معاشی حالات میں بہتری اور مالیاتی لاگت میں کمی سے ملک میں معاشی سرگرمیوں میں اضافہ متوقع ہے اور اس کے نتیجے میں لوگوں کی قوت خرید میں اضافہ ہوگا جس سے مہمان نوازی کی صنعت میں ترقی کی توقع ہے۔ تاہم صنعت کو مختلف چیلنجز کا سامنا ہے اور کمپنی حالات کے مطابق اپنی حکمت عملیوں میں ترمیم کر رہی ہے تاکہ بہترین ممکنہ طریقے سے کام کو یقینی بنایا جا سکے۔

کمپنی کا مقصد ملک میں ماحول دوست سیاحت کو فروغ دینا ہے جو کمپنی اور مقامی معیشت کے لیے پائیدار اقتصادی ترقی کا باعث بنے۔ کمپنی ماحولیاتی طور پر پائیدار طریقوں کے طویل مدتی فوائد کو تسلیم کرتی ہے۔ کمپنی کی مینجمنٹ اس بات کا ادراک رکھتی ہے کہ فضلہ کی کم پیداوار، قدرتی وسائل کا تحفظ، گاہکوں کی تعلیم آمدنی میں اضافہ اور آپریٹنگ اخراجات میں کمی کا باعث ہوگا۔

کمپنی ملحقہ کمپنی کو مہمان نوازی کے منصوبوں کی ترقی کے لیے مشاورتی خدمات فراہم کرتی ہے۔ کمپنی اپنے کاروبار کی بنیادی لائن کے اندر دیگر ممکنہ کلائنٹس تک ایسی خدمات کو وسعت دینے کا ارادہ رکھتی ہے۔

بورڈ کی جانب سے ہم حصص یافتگان، ملازمین اور کلائنٹس کو چیلنجز کے اس وقت میں مسلسل اعتماد اور تعاون کے لیے دلی خراج تحسین پیش کرتے ہیں اور مالی سال کی دوسری سہ ماہی کے مثبت نتیجوں کے منتظر ہیں۔

کنور عدیل زمان

چیف ایگزیکٹو آفیسر

محمد صدیق کھوکھر

ڈائریکٹر

بتاریخ: اکتوبر 30 2024

**AKD HOSPITALITY LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH SEPTEMBER 2024**  
**(UN-AUDITED)**

	Notes	UnAudited 30-Sep 2024 Rupees	Audited 30-Jun 2024 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	4	838,921	862,539
Long-term investments	5	14,196,000	14,728,000
Long-term security deposit		20,000	20,000
		<u>15,054,921</u>	<u>15,610,539</u>
<b>CURRENT ASSETS</b>			
Trade debts	6	3,942,997	2,217,998
Advances		377,726	275,001
Other receivables		-	-
Bank balances		13,312,061	14,024,199
		<u>17,632,784</u>	<u>16,517,198</u>
<b>TOTAL ASSETS</b>		<u><b>32,687,705</b></u>	<u><b>32,127,737</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital 100,000,000 (June 2024: 100,000,000) ordinary shares of Rupees 10 each		<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, subscribed and paid-up share capital		25,072,733	25,072,733
Capital contribution		12,950,001	12,950,001
Reserves		(14,622,494)	(14,734,180)
<b>TOTAL EQUITY</b>		<u>23,400,240</u>	<u>23,288,554</u>
<b>NON CURRENT LIABILITIES</b>			
Deferred tax liability		<u>155,612</u>	<u>155,612</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	4,958,535	4,665,504
Contract liability		500,000	500,000
Short term borrowing		-	-
Provision for taxation and levy payable - net		1,196,355	1,041,105
Unclaimed dividend		2,476,962	2,476,962
		<u>9,131,852</u>	<u>8,683,571</u>
<b>TOTAL LIABILITIES</b>		<u>9,287,464</u>	<u>8,839,183</u>
Contingencies and commitments			
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>32,687,705</b></u>	<u><b>32,127,737</b></u>

The annexed notes from 01 to 11 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**AKD HOSPITALITY LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2024**  
**(UN-AUDITED)**

	<b>30-Sep-24</b>	<b>30-Sep-23</b>
	<b>2024</b>	<b>2023</b>
	<b>Rupees</b>	<b>Rupees</b>
Revenue from contracts with customers	<b>1,500,000</b>	1,500,000
Administrative and general expenses	<b>(701,064)</b>	(500,266)
<b>Gross profit</b>	<b>798,936</b>	999,734
Provision for Sindh Workers' Welfare Fund	-	-
<b>PROFIT / (LOSS) BEFORE LEVY AND TAX</b>	<b>798,936</b>	999,734
Levy	<b>(155,250)</b>	(120,000)
<b>PROFIT / (LOSS) BEFORE INCOME TAX</b>	<b>643,686</b>	879,734
Income tax	-	(15,000)
<b>PROFIT / (LOSS) AFTER INCOME TAX</b>	<b>643,686</b>	864,734
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>Items that will not be reclassified subsequently to profit &amp; loss:</b>		
- Unrealized gain/(loss) arising on remeasurement of investments at 'fair value through other comprehensive income'	<b>(532,000)</b>	760,000
<b>Items that may be reclassified subsequently to profit and loss</b>	-	-
<b>Other comprehensive income /(loss) for the year</b>	<b>(532,000)</b>	760,000
<b>TOTAL COMPREHENSIVE PROFIT / (LOSS)</b>	<b>111,686</b>	1,624,734
<b>EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED</b>	<b>0.26</b>	0.34

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**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

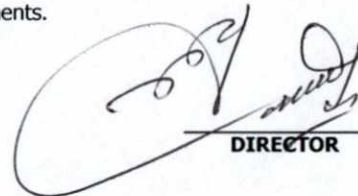
**AKD HOSPITALITY LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30TH SEPTEMBER 2024**  
**(UN-AUDITED)**

Description	Issued, subscribed and paid-up share capital	Capital contribution (Note 11.1)	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		
<b>Balance as at 30 June 2023</b>	<b>25,072,733</b>	<b>9,750,001</b>	<b>20,891,600</b>	<b>(25,156,000)</b>	<b>752,000</b>	<b>(23,420,690)</b>	<b>(26,933,090)</b>	<b>7,889,644</b>	
Profit quarter ended 30 September 2023	-	-	-	-	-	864,734	864,734	864,734	
Other comprehensive gain	-	-	-	760,000	-	-	760,000	760,000	
Total comprehensive gain for the quarter	-	-	-	760,000	-	864,734	1,624,734	1,624,734	
<b>Balance as at 30 September 2023</b>	<b>25,072,733</b>	<b>9,750,001</b>	<b>20,891,600</b>	<b>(24,396,000)</b>	<b>752,000</b>	<b>(22,555,956)</b>	<b>(25,308,355)</b>	<b>9,514,378</b>	
Profit for nine months ended 30 June 2024	-	-	-	-	-	7,496,176	7,496,176	7,496,176	
Other comprehensive gain	-	-	-	3,078,000	-	-	3,078,000	3,078,000	
Total comprehensive gain for nine months	-	-	-	3,078,000	-	7,496,176	10,574,176	10,574,176	
Capital contribution from sponsor during the nine months ended 30 June 2024	-	3,200,000	-	-	-	-	-	3,200,000	
<b>Balance as at 30 June 2024</b>	<b>25,072,733</b>	<b>12,950,001</b>	<b>20,891,600</b>	<b>(21,318,000)</b>	<b>752,000</b>	<b>(15,059,780)</b>	<b>(14,734,180)</b>	<b>23,288,554</b>	
Profit quarter ended 30 September 2024	-	-	-	-	-	643,686	643,686	643,686	
Other comprehensive gain	-	-	-	(532,000)	-	-	(532,000)	(532,000)	
Total comprehensive gain for the quarter	-	-	-	(532,000)	-	643,686	111,686	111,686	
<b>Balance as at 30 September 2024</b>	<b>25,072,733</b>	<b>12,950,001</b>	<b>20,891,600</b>	<b>(21,850,000)</b>	<b>752,000</b>	<b>(14,416,094)</b>	<b>(14,622,493)</b>	<b>23,400,241</b>	

The annexed notes from 01 to 11 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**AKD HOSPITALITY LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2024**  
**(UN-AUDITED)**

	<b>30-Sep 2024 Rupees</b>	<b>30-Sep 2023 Rupees</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	798,936	999,734
<b>Adjustments for non cash items:</b>		
Depreciation	23,618	26,836
<b>Operating profit before working capital changes</b>	<b>822,554</b>	1,026,570
<b>Working capital changes</b>		
<b>(Increase) / decrease in current assets</b>		
Trade debts	(1,724,999)	(678,000)
Advance and prepayments	(102,725)	(329,256)
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	293,031	(34,177)
	<b>(1,534,693)</b>	(1,041,433)
<b>Cash flow generated from / (used in) operations</b>	<b>(712,138)</b>	(14,863)
Income tax and levy paid	-	(81,360)
<b>Net cash generated from / (used in) operating activities</b>	<b>(712,138)</b>	(96,223)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	-	-
<b>Net increase in cash and cash equivalents</b>	<b>(712,138)</b>	(96,223)
Cash and cash equivalents at the beginning of the year	14,024,199	368,953
<b>Cash and cash equivalents at the end of the quarter</b>	<b>13,312,061</b>	272,730

The annexed notes from 01 to 11 form an integral part of these financial statements.

  
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**CHIEF EXECUTIVE OFFICER**

  
 \_\_\_\_\_  
**DIRECTOR**

  
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**CHIEF FINANCIAL OFFICER**



**AKD HOSPITALITY LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**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. The principal line of business form "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 accounting and reporting standards as applicable in Pakistan for interim financial reporting comprising of:

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

Where the Provisions and Directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the Provisions and Directives issued under the Companies Act, 2017 have been followed.

- 2.2** 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 Financial Statements of the Company for the year ended 30 June 2024. These Condensed Interim Financial Statements are Unaudited.

- 2.3** The Comparatives in the Statement of Financial Position in these Condensed Interim Financial Statements as at 30 September 2024 have been extracted from the Annual Audited Financial Statements as at 30 June 2024, whereas the comparatives in the 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 Quarter ended 30 September 2023.

### **3. ACCOUNTING POLICIES**

The accounting policies and methods of computations adopted for the preparation of these Condensed Interim Financial Statements as the same as applied for preceding Audited Annual Published Financial Statement of the Company for the year ended 30 June 2024.

#### **3.1 Critical Accounting Estimates and Judgements**

The preparation of these Condensed Interim Financial Statements in conformity with approved accounting standards require the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the Company's Accounting Policies. Estimates and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During the preparation of these Condensed Interim Financial Statements, the significant judgements made by the management in applying the Company's Accounting Policies and the key sources of estimation and uncertainty are the same as applied in the preceding Annual Audited Financial Statements for the year ended 30 June 2024

	Note	Unaudited 30-Sep-24 Rupees	Audited 30-Jun-24 Rupees
<b>4. PROPERTY AND EQUIPMENT</b>			
Written down value at the beginning of the period		862,539	969,881
Depreciation charged during the period		(23,871)	(107,342)
Written down value at the closing of the period		<u>838,668</u>	<u>862,539</u>
<b>4.1</b>	Depreciation is charged to Administrative and General Expenses		
<b>5. LONG-TERM INVESTMENTS (Equity instruments)</b>			
<b>Investment in equity securities - at 'fair value through other comprehensive income'</b>			
<b>Related parties</b>			
<b>Creek Developers (Private) Limited - unquoted</b>		98,000	98,000
9,800 fully paid ordinary shares of Rupees 10 each.			
<b>Others</b>			
<b>Cnergyico Pk Limited - quoted @ 3.71 per share</b>		14,098,000	14,630,000
3,800,000 fully paid ordinary shares of Rupees 10 each.			
		<u>14,196,000</u>	<u>14,728,000</u>
<b>6. TRADE DEBTS</b>			
<b>Related party- Unsecured</b>			
AKD REIT Management Company Limited		3,985,000	2,260,000
Less: Allowance for expected credit loss			
As at 01 July 2024		(42,002)	-
Recognized during the period		-	(42,002)
Reversal made during the period		-	-
As at 30 September 2024		<u>(42,002)</u>	<u>(42,002)</u>
		<u>3,942,998</u>	<u>2,217,998</u>
<b>7. TRADE AND OTHER PAYABLES</b>			
Accrued liabilities		1,205,085	955,085
Payable to AKD Securities Limited - related party	7.1	1,867,577	1,867,577
Overdue lease liability		810,000	810,000
Withholding tax payable		355,541	352,436
Sales tax payable - net		236,190	196,264
Provision for workers welfare fund		484,142	484,142
		<u>4,958,535</u>	<u>4,665,504</u>
<b>7.1</b>	This represents the balance payable against common expenses paid by AKD Securities Limited an associated company		
<b>8. CONTINGENCIES AND COMMITMENTS</b>			
<b>8.1 Contingencies</b>	There are not any material contingencies at the reporting date.		
<b>8.2 Commitments</b>	There were no commitments outstanding as at the reporting date (June 2024: Nil).		

**9. EARNING / LOSS PER SHARE - BASIC & DILUTED**

	<b>30-Sep-24 2024 Rupees</b>	<b>30-Sep-23 2023 Rupees</b>
Profit / (Loss) for the year <b>(Rupees)</b>	<u><b>643,686</b></u>	<u><b>864,734</b></u>
Weighted average number of ordinary shares <b>(Number)</b>	<u><b>2,507,471</b></u>	<u><b>2,507,471</b></u>
Profit / (Loss) per share - basic & diluted <b>(Rupees)</b>	<u><b>0.26</b></u>	<u><b>0.34</b></u>

**10. DATE OF AUTHORIZATION**

This condensed interim financial information was authorized for issue on 30th October, 2024 by the Board of Directors of the Company.

**11. GENERAL**

Figures have been rounded off to the nearest rupees.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER