

FOCUS ON
GROWTH



**FIRST QUARTERLY
REPORT SEPTEMBER
2022**

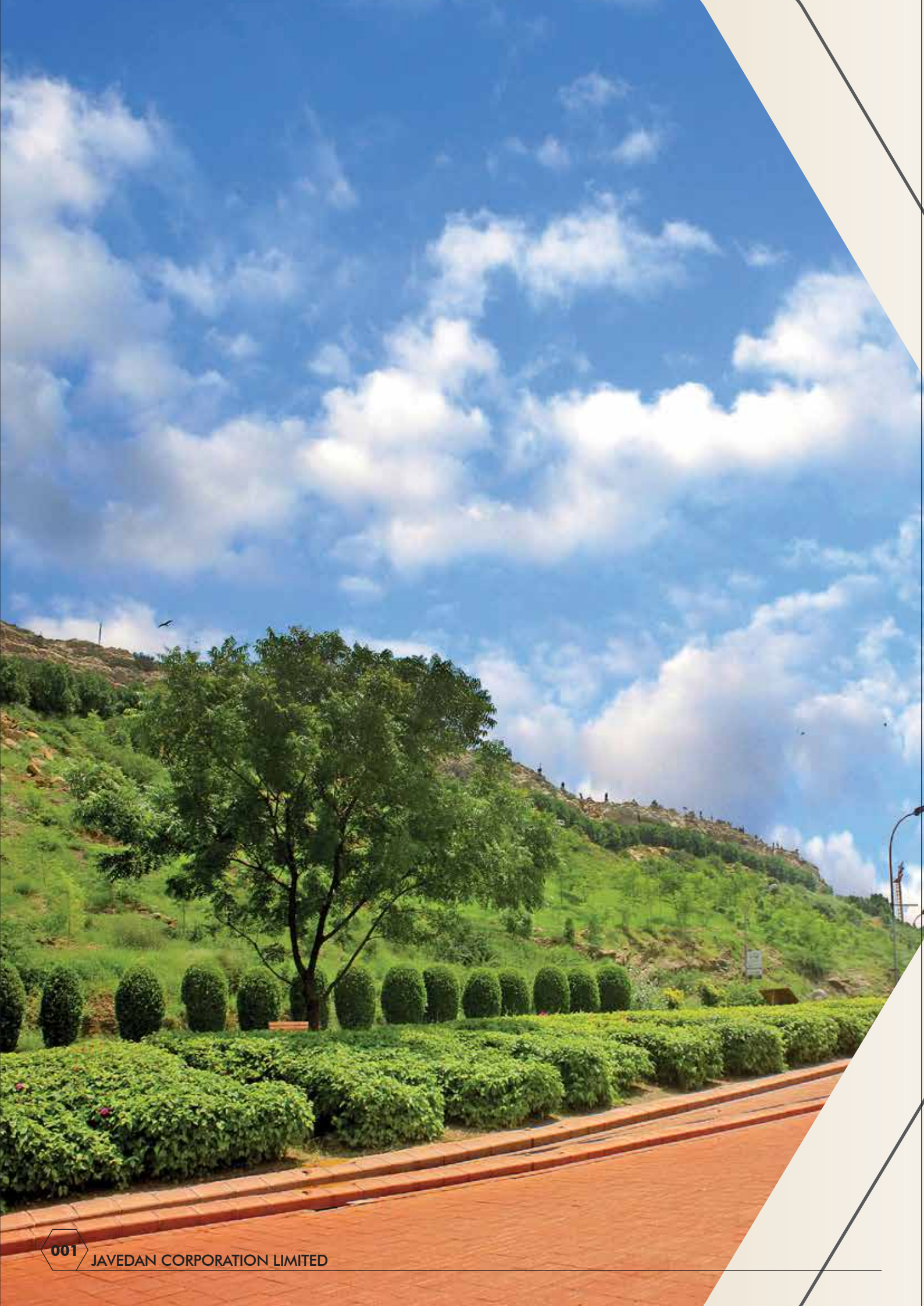


Table of **CONTENT**

Company Information	04
Directors' Report	05
Condensed Interim Unconsolidated Financial Information	
Condensed Interim Unconsolidated Statement of Financial Position	09
Condensed Interim Unconsolidated Statement of Profit or Loss (Unaudited)	10
Condensed Interim Unconsolidated Statement of Other Comprehensive Income (Unaudited)	11
Condensed Interim Unconsolidated Statement of Changes In Equity (Unaudited)	12
Condensed Interim Unconsolidated Statement of Cash Flows (Unaudited)	13
Notes To The Condensed Interim Unconsolidated Financial Information	15
Condensed Interim Consolidated Financial Information	
Condensed Interim Consolidated Statement of Financial Position	27
Condensed Interim Consolidated Statement of Profit Or Loss (Unaudited)	28
Condensed Interim Consolidated Statement of Other Comprehensive Income (Unaudited)	29
Condensed Interim Consolidated Statement of Changes In Equity (Unaudited)	30
Condensed Interim Consolidated Statement of Cash Flows (Unaudited)	31
Notes To The Condensed Interim Consolidated Financial Information	33



Company INFORMATION

Board of Directors

Arif Habib	Chairman
Abdus Samad Habib	CEO/Director
Muhammad Ejaz	Director
Kashif Habib	Director
Javed Kureishi	Director
Abdullah Ghaffar	Director
Alamgir A. Shaikh	Director
Abdul Qadir Sultan	Director
Darakshan Zohaib	Director

Chief Financial Officer & Company Secretary

Muneer Gader

Audit Committee

Abdullah Ghaffar	Chairman
Kashif Habib	Member
Muhammad Ejaz	Member
Abdul Qadir Sultan	Member

HR & Remuneration Committee

Javed Kureishi	Chairman
Arif Habib	Member
Muhammad Ejaz	Member
Abdus Samad Habib	Member

Auditors

Yousuf Adil
Chartered Accountants

Reanda Haroon Zakaria and Co.
Chartered Accountants

Bankers

Al Baraka Bank Pakistan Limited
Allied Bank Limited
Askari Bank Limited
Bank Al-Falah Limited
BankIslami Pakistan Limited
Bank of Punjab
Dubai Islamic Bank
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
National Bank of Pakistan
Sindh Bank Limited
Summit Bank Limited
United Bank Limited
Faysal Bank Limited
Meezan Bank Limited
Industrial & Commercial Bank of China

Registered Office

Arif Habib Center,
23, M.T.Khan Road, Karachi Pakistan -
74000,
Tel : 32460717-19
Fax: 32466824
Website: www.jcl.com.pk

Site Office:

Naya Nazimabad
Manghopir Road
Karachi – 75890
Phones: +92 21 36770141-42
Website: www.nayanazimabad.com

Share Registrar

CDC Share Registrar Services Limited,
CDC House, 99-B, Block 'B' S.M.C.H.S
Sharah-e-Faisal, Karachi.

DIRECTORS' REPORT

Directors' Report

Dear Shareholders

On behalf of the board of directors, we are pleased to present the Condensed Interim Unconsolidated & Consolidated Financial Information for the three-month period ended 30 September 2022 along with operational performance of the Company for the same period.

Overview

We are pleased to inform that after successful launch of Globe Residency REIT (GRR) and transfer of Globe Residency Apartments launched in November 2021 to GRR on as is basis, during the period under review another REIT namely Naya Nazimabad Apartment REIT has been formed and land admeasuring 46,597 sq yds has been sold to REIT scheme.

Arif Habib Dolmen REIT Management Limited (the REIT Management Company) is working on launch of apartments and retail space under Naya Nazimabad Apartment REIT and we may expect it to be launched soon.

Further as the board of directors and shareholders of the Company had approved listing and sale of investment in GRR units, the Company has filed an application for listing with Pakistan Stock Exchange it will be the first developmental REIT Scheme to be listed at Stock Exchange in the country. It is expected that GRR units will be owned by more than 3,000 unit holders.

Financial Performance

The financial results of the Company for the period are exceptional as during the period the Company has recorded Sale and Profit After Tax of PKR 6,526 million and 4,024 million respectively whereas Sale and Loss After Tax in corresponding period were PKR 10 million and PKR (58) million, respectively.

Further during the period, the cost of sales incurred is PKR 2,093 million resulting in Gross Profit Margin of 68%. The administrative cost incurred is PKR 138 million as compared to PKR 109 million in the corresponding period. Flyover cost incurred during the period is PKR 268 million. Other Income earned during the period is PKR 85 million as compared to PKR 44 million increased by 93% over the corresponding period.

The current tax expense for the period is PKR 51 million as compared to net deferred tax income of PKR 25 million in corresponding period.

Following is the comparative summary of (unconsolidated) financial results:

Particulars	30 September 2022	30 September 2021
	(Rupees in thousands)	
Net Sales	6,526,059	9,857
Cost of sales	(2,092,923)	(8,171)
Gross Profit	4,433,136	1,686
Profit / (Loss) before taxation	4,075,132	(83,133)
Profit / (Loss) after taxation	4,024,089	(57,644)
Earning / (Loss) per share - Basic (in rupees)	10.57	(0.15)
Earnings / (Loss) per share - Diluted (in rupees)	10.57	(0.15)

On a consolidated basis profit from continuing operations is PKR 4,010 million translating into an EPS per share of Rs. 10.53 per unit and profit from discontinued operation is PKR 140 million translating into earnings per share of Rs 0.37.

Operational Performance

We are pleased to inform that work on our pilot project Naya Nazimabad Flyover with an estimated cost of PKR 2,500 million is fast progressing with target completion in June 2023. The work on completion of Naya Nazimabad Gymkhana is ongoing and as finishing work is near completion the memberships application has commenced.

Apart from above the other infrastructure development work and other projects including Jama Masjid (2nd Phase) and Naya Nazimabad Hospital is ongoing as per schedule and all projects are expected to be completed within timeline.

Outlook

After successful launch of Globe Residency Apartments under Globe Residency REIT, the REIT Management Company are planning to launch apartments and retail space under Naya Nazimabad Apartment REIT soon. Musharka Arrangement (partnership on profit or loss basis) with Meezan bank under Globe Residency REIT for three towers (tentatively four hundred apartment units) is a significant achievement and a successful execution of Musharka Arrangement will pave way for similar arrangement with Meezan bank and other banks in upcoming apartment projects under REITs.

With increasing demands, completion of flagship value addition projects Naya Nazimabad Gymkhana & Naya Nazimabad Flyover within current financial year the value appreciation of Naya Nazimabad project should continue.

Naya Nazimabad is becoming a preferred project for banks for extending mortgage financing to end user.

The recent inflation, interest rates hike, increase in cost of construction and overall slowdown in economy over the last six months is concerning. However, resumption of normalcy in overall economic and political environment and resumption of government and SBP policy is expected to provide necessary stimulus to the Real Estate Sector.

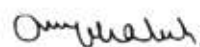
Despite the macroeconomic challenges the project specific positive developments the outlook, of your company is quite encouraging.

Acknowledgement

On behalf of the Board of Directors, we thank our customers and shareholders for their continued support to transform the dream into reality. We would like to thank our Banks and Financial institutions who, over the years, have been critical in enabling the Company to deliver this project. We would also like to thank Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange for their support to the project and appreciate all the employees of the Company for highly admirable efforts put in by them.

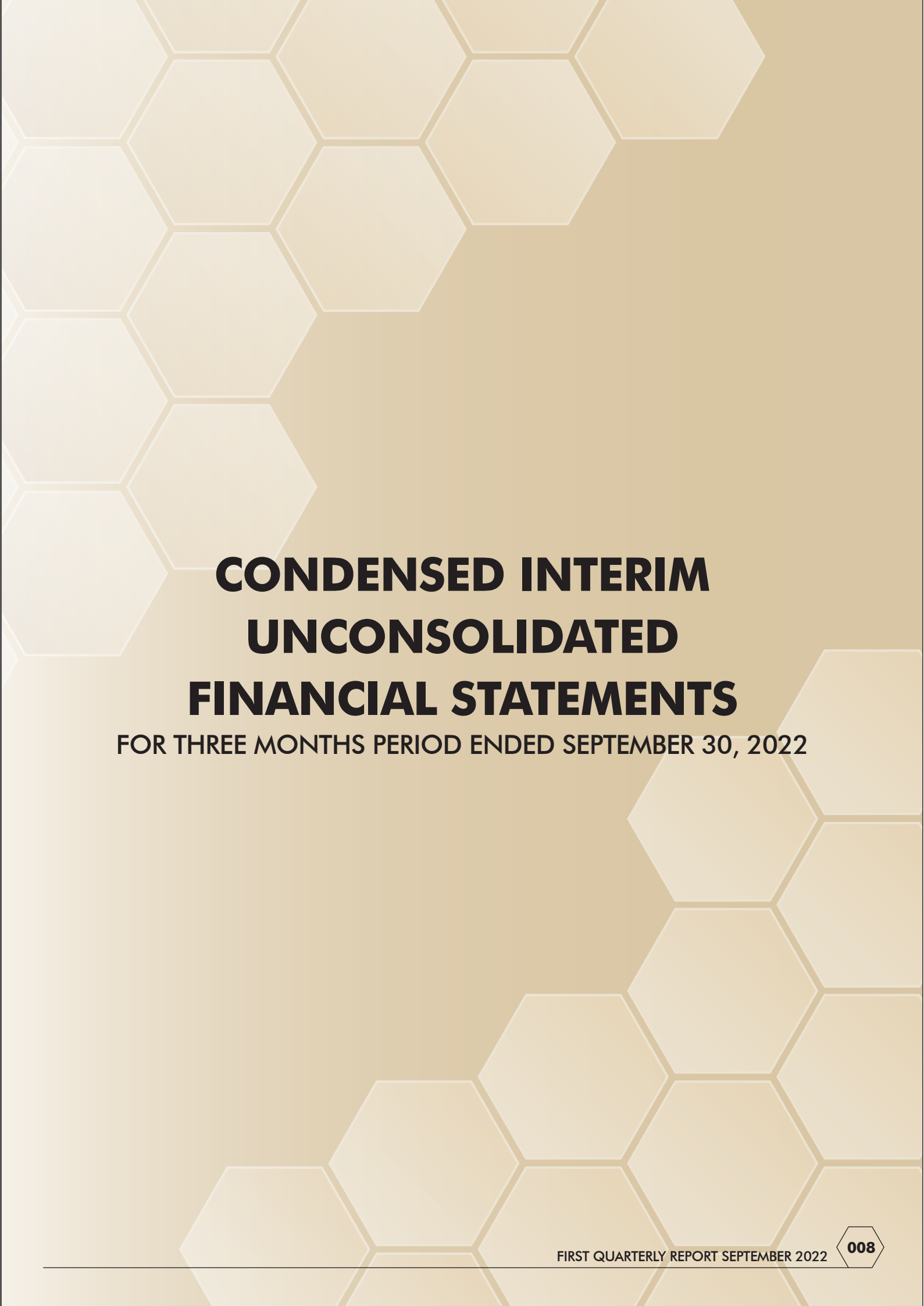


Abdus Samad Habib
Chief Executive



Arif Habib
Chairman

Dated: October 27, 2022



CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Javedan Corporation Limited

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
----- (Rupees in '000) -----			
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	7,094,171	6,924,951
Intangible assets		2,876	3,163
Investment properties		719,990	719,991
Long term deposits		11,719	13,372
Long term Investment	6	110,000	1,510,000
		7,938,756	9,171,477
Current Assets			
Development properties	7	17,773,698	19,499,396
Trade debts	8	6,766,785	1,040,253
Loans and advances	9	1,646,928	1,554,349
Short Term Investment		13,000	13,000
Trade deposits, prepayments and other receivables	10	624,302	335,572
Assets Classified as Held for Sale	11	1,400,000	-
Unclaimed deposits		782	782
Cash and bank balances		289,370	1,645,816
		28,514,864	24,089,168
Total Assets		36,453,620	33,260,645
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised			
390,000,000 (2021 : 390,000,000) ordinary shares of Rs.10/- each		3,900,000	3,900,000
Issued, subscribed and paid-up capital			
Capital reserves		3,808,604	3,808,604
Revenue reserves		2,758,293	2,758,293
Other component of equity - revaluation surplus on lands		6,919,183	4,393,813
		8,369,467	8,394,190
		21,855,547	19,354,900
Non-Current Liabilities			
Long term financing	12	7,077,636	7,537,129
Deferred Grant		92,336	33,754
Deferred liability - gratuity		69,108	66,189
		7,239,081	7,637,072
Current Liabilities			
Trade and other payables	13	429,411	706,633
Preference shares		505	505
Accrued mark-up		320,134	191,321
Contract liabilities		957,071	1,091,250
Advance against sale of investment properties		179,172	176,673
Short term borrowings	14	1,399,555	1,833,164
Current maturity of non-current liabilities		2,378,919	2,116,734
Taxation - net		166,275	147,901
Unpaid dividend		1,523,442	-
Unpaid preference dividend		258	242
Unclaimed dividend		4,250	4,250
		7,358,992	6,268,673
TOTAL EQUITY AND LIABILITIES		36,453,620	33,260,645
CONTINGENCIES AND COMMITMENTS			
	15		

The annexed notes from 1 to 22 form an integral part of these condensed interim financial information.

Chief Financial Officer

Chief Executive Officer

Director

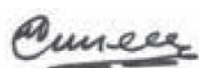
Javedan Corporation Limited

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

		Three month period ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
	Note		
Revenue from contracts with customers - net	16	6,526,059	9,857
Cost of sales	17	(2,092,923)	(8,171)
Gross profit		4,433,136	1,686
Expenses			
Marketing and selling expenses		6,135	4,589
Flyover cost		267,649	-
Administrative expenses		137,775	109,246
Finance cost		31,405	14,932
		(442,964)	(128,767)
Other income		84,961	43,948
Profit / (Loss) before taxation		4,075,132	(83,133)
Taxation	18	(51,043)	25,489
Profit / (Loss) after taxation		4,024,089	(57,644)
		2022	2021
		----- Rupees -----	
		Restated	
Earnings / (Loss) per share			
Basic	19	10.57	(0.15)
Diluted	19	10.57	(0.15)

The annexed notes from 1 to 22 form an integral part of these condensed interim financial information.



Chief Financial Officer



Chief Executive Officer



Director

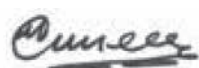
Javedan Corporation Limited

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Note	Three month period ended	
	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----	
Profit / (Loss) after taxation	4,024,089	(57,644)
Other comprehensive income for the period	-	-
Total comprehensive Profit/(loss) for the period	4,024,089	(57,644)

The annexed notes from 1 to 22 form an integral part of these condensed interim financial information.



Chief Financial Officer



Chief Executive Officer



Director

Javedan Corporation Limited

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Issued, subscribed and paid-up capital	Capital reserves		Revenue reserves		Other component of equity	Total Equity
	Share premium	Tax holiday reserve	General	Unappropri- ated profits	Revaluation surplus on lands	

----- (Rupees in '000) -----

Balance as at June 30, 2021

3,173,837 3,381,094 11,966 63,500 2,760,090 8,461,779 17,852,266

Loss for the period	-	-	-	-	(57,644)	-	(57,644)
Other comprehensive income/(loss), net of tax	-	-	-	-	-	-	-
Total comprehensive loss, net of tax	-	-	-	-	(57,644)	-	(57,644)

Revaluation surplus on land realised
on account of sale of development properties

- - - - - 1,495 (1,495) -

Balance as at September 30, 2021

3,173,837 3,381,094 11,966 63,500 2,703,941 8,460,284 17,794,622

Balance as at June 30, 2022

3,808,604 2,746,327 11,966 63,500 4,330,313 8,394,190 19,354,900

Profit for the period	-	-	-	-	4,024,089	-	4,024,089
Other comprehensive income/(loss), net of tax	-	-	-	-	-	-	-
Total comprehensive income, net of tax	-	-	-	-	4,024,089	-	4,024,089

Interim dividend @ 40 percent on ordinary shares
for the year ended June 30, 2022

- - - - - (1,523,442) - (1,523,442)

Revaluation surplus on land realised
on account of sale of development properties

- - - - - 24,723 (24,723) -

Balance as at September 30, 2022

3,808,604 2,746,327 11,966 63,500 6,855,683 8,369,467 21,855,547

Chief Financial Officer

Chief Executive Officer

Director

Javedan Corporation Limited

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Note	Three month period ended	
	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	4,075,132	(83,133)
Adjustments:		
Depreciation	7,207	5,618
Amortization	288	288
Provision for gratuity	4,933	3,837
Finance costs	31,405	-
Mark-up on saving accounts	(4,125)	(3,217)
	39,708	6,526
Operating profit/(loss) before working capital changes	4,114,841	(76,607)
(Increase) / decrease in current assets		
Trade debts	(5,726,532)	1,765
Development properties	2,018,506	(137,836)
Advances	(92,579)	(186,907)
Deposits, prepayments and other receivables	(288,730)	(53,554)
Short term investment	-	1,222,052
	(4,089,335)	845,520
Increase / (decrease) in current liabilities		
Trade and other payables	(277,220)	(672,821)
Contract Liabilities	(134,179)	4,502
Advance against sale of investment properties	2,499	61,650
Accrued mark-up	-	65,659
	(408,900)	(541,010)
Cash flows (used in) / generated from operations	(383,396)	227,903
(Payments) / receipts for:		
Income tax paid	(32,669)	(11,290)
Finance cost paid	(195,399)	-
Gratuity paid	(2,015)	(103)
Net cash flows (used in) / generated from Operating activities	(613,479)	216,510
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment made for purchase of property, plant and equipment and CWIP	(176,427)	(36,046)
Interest received	4,125	3,217
Payment made for Long Term Security Deposit	1,669	(1,204)
Investment in Subsidiary	-	(10,000)
Net cash used in investing activities	(170,633)	(44,033)

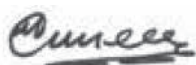
Javedan Corporation Limited

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Note	Three month period ended	
	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----	
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment) / Receipt of long-term finance	(197,308)	1,767,490
(Repayment) of short term borrowings-net	(433,608)	(640,766)
Deferred grant	58,582	598
Net cash (used in) / generated from financing activities	(572,334)	1,127,322
Net (decrease) / increase in cash and cash equivalent	(1,356,446)	1,299,799
Cash and cash equivalents at beginning of the period	1,645,816	152,695
Cash and cash equivalents at end of the period	289,370	1,452,494

The annexed notes from 1 to 22 form an integral part of these condensed interim financial information.



Chief Financial Officer



Chief Executive Officer



Director

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

1. STATUS AND NATURE OF BUSINESS

- 1.1** Javedan Corporation Limited (the Company) was incorporated in Pakistan on June 08, 1961, as a public limited company under the repealed Companies Act, 1913 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The registered office of the Company is located at Arif Habib Centre, 23, M.T Khan Road, Karachi.
- 1.2** The Company has ceased its cement business since July 01, 2010 and the management has developed business diversification strategy for utilizing the Company's land having area of 1,367 acres for developing a housing scheme, "Naya Nazimabad", that includes bungalows, open plots, flat sites and commercial sites. The Company's layout plan of the project was approved by Lyari Development Authority vide letter number LDA/PP/2010/255 on March 02, 2011 and revised master plan approved vide letter No CTP/LDA/112 and has obtained No Objection Certificate from Sindh Building Control Authority having NOC # SBCA/D.D(D-II)/985/ADV-503/2011 on November 12, 2011 and revised NOC # SBCA/DD(D-II)/985 & 991/ADV-584/2013. The Company is also the member of Association of Builders and Developers of Pakistan (ABAD). Subsequently to the reporting date, the Company has initiated steps to take relevant approvals for change in layout plan of Naya Nazimabad, which is expected to be completed in due course of time.
- 1.3** These Condensed interim financial Statements are the separate financial statements of the Company, in which investment in subsidiary has been accounted for at cost less accumulated impairment lossess, if any. As of September 30, 2022, the Company has investments in following subsidiaries:

	% of holding
- Globe Residency REIT (GRR)	100%
- NN Maintenance Company (Private) Limited (NMC)	100%
- Sapphire Bay (Private) Limited (SBPL)	100%

- 1.4** The geographical location and addresses of business units are as under:

Location	Address
Registered office	Arif Habib Centre, 23, M.T Khan Road, Karachi
Naya Nazimabad Project	Naya Nazimabad, Deh, Manghopir road, Gadap town, Scheme #43, Karachi
Naya Nazimabad Sales Center	Naya Nazimabad, Deh, Manghopir road, Gadap town, Scheme #43, Karachi

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company for the three months period ended September 30, 2022 has 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:

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

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

3. BASIS OF PREPARATION

- 3.1.** The preparation of these condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by the management in applying the Company's accounting policies and areas where assumptions and estimates are significant are same as those applied to the annual financial statements of the Company as at and for the year ended June 30, 2022. The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company as at and for the year ended June 30, 2022.

- 3.2.** These condensed interim financial statements is presented in Pakistan Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest rupees, otherwise stated.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended June 30, 2022, except for the adoption of the new/amended standards, interpretations and improvements to accounting standards, which became effective for the current period.

The adoption of above standards, interpretations and improvement to standards did not have any material effect or either not relevant or did not have any material effect on the condensed interim financial information.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
----- (Rupees in '000) -----			
Opening Net Book Value		4,949,610	4,771,008
Add: Additions/Transfers during the period/year	5.1	18,685	206,755
Less: Disposals during the period/year	5.2	-	(38)
Less: Depreciation during the period/year		(7,207)	(28,115)
Closing Net Book Value		4,961,088	4,949,610
Add: Capital work-in-progress	5.3	2,133,083	1,975,341
		<u>7,094,171</u>	<u>6,924,951</u>

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
5.1 Additions to operating fixed assets, during the period / year were as follows			
Other land		-	2,458
Buildings on other land		4,730	74,420
Recreational facilities		-	108,460
Furniture and fixtures		99	1,678
Office equipment		1,814	3,323
Medical equipment		345	190
Computer equipment		1,397	6,366
Vehicles		10,300	9,860
		18,685	206,755
5.2 The following assets were disposed off during the period / year:			
Office equipment		-	38
		-	38
5.3 Capital work-in-progress			
Opening		1,975,341	1,472,843
Additions		157,742	685,378
Transfer to operating fixed assets		-	(182,880)
Closing		2,133,083	1,975,341
6. LONG TERM INVESTMENT			
- NN Maintenance Company (Private) Limited - subsidiary company		10,000	10,000
- Sapphire Bay Development Company Limited - subsidiary company		100,000	100,000
- Globe Residency REIT - subsidiary company	11	-	1,400,000
		110,000	1,510,000
7. DEVELOPMENT PROPERTIES			
Land for development		16,441,918	15,031,918
Add: Acquired During the period		-	1,410,000
		16,441,918	16,441,918
Development expenditure			
Opening balance		12,028,016	10,938,044
Add: Incurred during the period		186,351	1,089,972
		12,214,367	12,028,016
Borrowing costs related to development properties			
Opening balance		3,388,027	2,683,235
Add: Additions during the period		292,807	704,792
		3,680,834	3,388,027
		32,337,119	31,857,961

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
Transferred to:			
- property, plant and equipment		(71,003)	(71,003)
- investment properties		(40,291)	(40,291)
- cost of sales to date	17	(9,669,811)	(7,576,888)
- development charges incurred and apportioned to date	17	(4,782,316)	(4,670,383)
		<u>17,773,698</u>	<u>19,499,396</u>
8. Trade Debts			
Secured, considered good			
Receivable against:			
- sales of plots and bungalows		128,997	95,171
- sale of land to REIT scheme - GRR	8.1	500,000	700,000
- sale of land to REIT scheme - NNAR	8.2	5,824,625	-
		<u>6,453,622</u>	<u>795,171</u>
- utilities infrastructure charges		4,691	1,913
- development charges incurred:			
- billed	8.3	56,578	49,597
- un-billed	8.4	251,894	193,572
		<u>308,472</u>	<u>243,169</u>
	8.5	<u>6,766,785</u>	<u>1,040,253</u>
8.1	Rs. 500 million, receivable from Globe Residency REIT (GRR), a REIT Scheme managed by Arif Habib Dolmen REIT Management Limited, (a related party) on account of sale of land.		
8.2	This represents sale consideration receivable from Naya Nazimabad Apartment REIT (REIT Scheme) against land measuring 46,597 sq yds. This REIT Scheme is managed by Arif Habib Dolmen REIT Management Limited, a related party. As per the terms agreed 291,231,250 units of REIT Scheme will be issued to the Company having face value of Rs. 10 / each and remaining proceeds will be paid in cash.		
8.3	Represents development cost billed to customers as per the terms of their sale agreement.		
8.4	Represents development cost incurred but not billed to customers as of reporting date, however the same will be billed to the respective customers in accordance with the terms of the sale contract.		
8.5	Included herein related party balances as follows,.		
		(Unaudited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
- Arif Habib Equity Private Limited		8,033	3,385
- Abdul Ghani		4,901	3,071
- Arif Habib Limited		10,478	7,370
- Nida Ahsan		3,265	1,539
- Arif Habib		-	400

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
9. LOANS AND ADVANCES - Considered good			
Loans - secured			
Executives		6,957	7,339
Employees		2,012	2,466
		8,969	9,805
Loans - unsecured			
Loan to a related party - Arif Habib Limited		800,000	800,000
Advances - unsecured			
Suppliers	9.1	518,201	544,566
Contractors		260,412	180,821
Employees for expenses		5,196	5,007
Purchase of properties		54,150	14,150
		837,959	744,544
		1,646,928	1,554,349
9.1	Included herein advances to related parties for purchase of cement and concrete, as follows:		
- Safemix Concrete Limited		135,844	133,313
- Power Cement Limited		27,879	30,501
		163,723	163,814
10. TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Deposits			
Considered good			
- Security deposit with Sindh Building Control Authority		3,345	3,345
- Others		12,898	12,409
		16,423	15,754
Considered doubtful			
- Guarantee margin		225	225
- Contractors		2,680	2,680
		2,905	2,905
Provision for impairment		(2,905)	(2,905)
		16,243	15,754
Prepayments			
Prepaid rent, insurance and expenses		11,107	6,691

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
----- (Rupees in '000) -----			
Other receivables - Considered good			
Sales tax refundable		4,703	4,703
Excise duty refundable		574	574
Receivable from related parties - considered good	10.1	594,988	310,941
Others		1,390	1,612
		601,655	317,830
Provision for impairment		(4,703)	(4,703)
		624,302	335,572
10.1. Included herein receivables from related parties, as follows:			
- NN Maintenance Company (Private) Limited - subsidiary company		398,212	297,729
- International Builders and Developers (Private) Limited - associate		187	187
- Globe Residency REIT		158,950	-
- Arif Habib Limited - associates		37,270	9,512
- Haji Abdul Ghani		369	369
- Naya Nazimabad apartment REIT		-	3,144
		594,988	310,941
11. ASSET CLASSIFIED AS HELD FOR SALE			
Global Residency REIT	11.1	1,400,000	-

- 11.1.** The Company has sold land measuring 40,500 square yards to Globe Residency REIT (GRR, a REIT Scheme) for consideration in cash of Rs 1,840 million and in form of units of GRR of Rs 1,400 million having face value of Rs. 10 each. Resultantly, GRR becomes the subsidiary of the Company by virtue of 100% unit holdings in GRR.

The Board of Directors and shareholders of the Company in their meeting held on August 27, 2022 and September 21, 2022 respectively, resolved to sale or otherwise disposing of up to 100% units of the GRR [a wholly owned subsidiary], including by way of Offer for Sale through Pakistan Stock Exchange, after obtaining all requisite regulatory approvals in accordance with the applicable laws, rules, and regulations. The management expect that this transaction will be completed within next financial period.

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
12. LONG-TERM FINANCING			
Term finance loan I		476,525	510,231
Term finance loan II		1,986,273	1,988,589
Term finance loan III		1,000,000	1,000,000
SBP-Refinance Scheme		6,831	13,547
Sukuk certificates		2,239,111	2,238,642
Diminishing musharakah I		696,429	750,000
Diminishing musharakah II		996,475	996,415
Diminishing musharakah III		1,000,000	1,000,000
Diminishing musharakah IV		700,000	700,000
Islamic refinance facility		354,911	391,567
		<u>9,456,555</u>	<u>9,588,991</u>
Current maturity of long-term financings	12.1	<u>(2,378,919)</u>	<u>(2,051,862)</u>
		<u>7,077,636</u>	<u>7,537,129</u>

12.1 The terms and conditions of Long-term financing arrangements are same as disclosed in note 21 to the annual audited financial statements of the Company for the year ended 30 June 2022.

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
13. TRADE AND OTHER PAYABLES			
Creditors		54,547	60,769
Accrued liabilities		91,651	74,137
Retention money		135,111	119,009
Withholding tax payable		20,392	16,694
Other payables:			
- on cancellation of plots		8,917	8,917
- against other projects		20,770	20,770
- non-violation charges		90,641	86,030
- Globe Residency REIT		-	320,307
- Naya Nazimabad Apartment REIT		7,382	-
	13.1	<u>429,411</u>	<u>706,633</u>

13.1. Included herein Rs. 2.976 million and Rs. Nil million (June 30, 2022: Rs.2,976 and Rs.0.124) Payable to Arif Habib Dolmen REIT Management Limited and Rotocast Engineering Company (Private) Limited respectively.

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
14. SHORT-TERM BORROWINGS - Secured			
Musharakah arrangement		300,000	300,000
Running finance under mark-up arrangements		-	599,736
Running finance under mark-up arrangements		1,099,555	933,428
	14.1.	<u>1,399,555</u>	<u>1,833,164</u>

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

14.1. The terms and conditions of short term borrowings are same as disclosed in note 29 to the annual audited financial statements of the Company for the year ended 30 June 2022.

15. CONTINGENCIES AND COMMITMENTS

The status and nature of contingencies and commitments are same as those disclosed in note 30 to the annual audited financial statements of the Company for the year ended June 30, 2022.

Note	Three month period ended	
	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----	
16. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET		
Plots	6,503,548	9,857
Bungalows	22,511	-
	6,526,059	9,857
Less:		
Cancellation and forfeiture	-	-
	6,526,059	9,857
17. COST OF SALES		
Cost of development properties sold:		
- plots	2,090,117	8,171
- bungalows	2,806	-
	2,092,923	8,171
Development charges:		
- incurred and apportioned to customers	111,933	153,338
- reimbursable from customers	(111,933)	(153,338)
	-	-
	2,092,923	8,171
18. TAXATION		
Current	51,043	123
Deferred	-	(25,612)
	51,043	(25,489)

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Note	Three month period ended September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
19. EARNINGS PER SHARE			
Basic			
Profit/(loss) after tax (Rupees in '000)		4,024,089	(57,644)
Weighted average numbers of ordinary shares		380,860,447	380,860,447
Earnings/(loss) per share - (Rupees)		10.57	(0.15)
Diluted			
Profit/(loss) after tax		4,024,089	(57,644)
Weighted average numbers of ordinary shares		380,873,294	380,860,447
Earnings/(loss) per share - (Rupees)		10.57	(0.15)

20. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associates and their close family members, key management personnel and post employment benefit plan. The details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	Note	(Unaudited) Three month period ended September 30, 2022	(Unaudited) September 30, 2021
		----- (Rupees in '000) -----	
Subsidiary Company			
NN Maintenance Company (Private) Ltd			
Expenses incurred on behalf of NNMC by the Company - Net		103,014	61,822
Sapphire Bay Development Company Limited			
Investment made during the period		-	10,000
Expenses incurred on behalf of SBDCL by the Company - Net		-	902
Associates			
Arif Habib Corporation Limited			
Mark-up paid during the period		-	2,723
Arif Habib Equity (Pvt) Limited			
Sale of plots		174,500	-
Advance adjusted against sale of plots		174,500	-
Arif Habib Limited			
Markup income on short-term-borrowing		34,098	-

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Note	(Unaudited) Three month period ended September 30, 2022	(Unaudited) Three month period ended September 30, 2021
	----- (Rupees in '000) -----	
Power Cement Limited		
Purchase of construction material	10,863	-
Paid against the purchase of construction material	8,241	-
Rotocast Engineering Company (Private) Limited		
Services received during the period	311	183
Paid against services received	338	118
Rent prepaid during the period	-	302
Rent expense charged during the period	-	302
Safe Mix Concrete Limited		
Purchase of construction material	7,777	1,808
Paid against the purchase of construction material	10,308	1,533
Haji Abdul Ghani - Associated person		
Sale of plots	57,000	1,808
Advance adjusted against sale of plots	57,000	1,808
Development charges billed	-	1,808
Development charges received	-	1,533
Key management personnel		
Arif Habib - Director		
Sale of plots	38,000	-
Advance adjusted against sale of plots	38,000	-
Short-term loans received during the period	-	675,000
Short-term loans paid during the period	-	675,000
Mark-up expense on short term-borrowing	-	894.00
Post employment benefit plan		
Gratuity fund trust - contribution paid during the period	2,014	103

All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company. The outstanding receivable and payable balances of the related parties are disclosed in their respective notes to these Condensed Interim Unconsolidated financial statements.

Javedan Corporation Limited

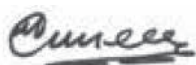
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

21. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorized for issue on October 27, 2022 by the Board of Directors of the Company.

22. GENERAL

Figures have been rounded-off to the nearest thousands rupees.



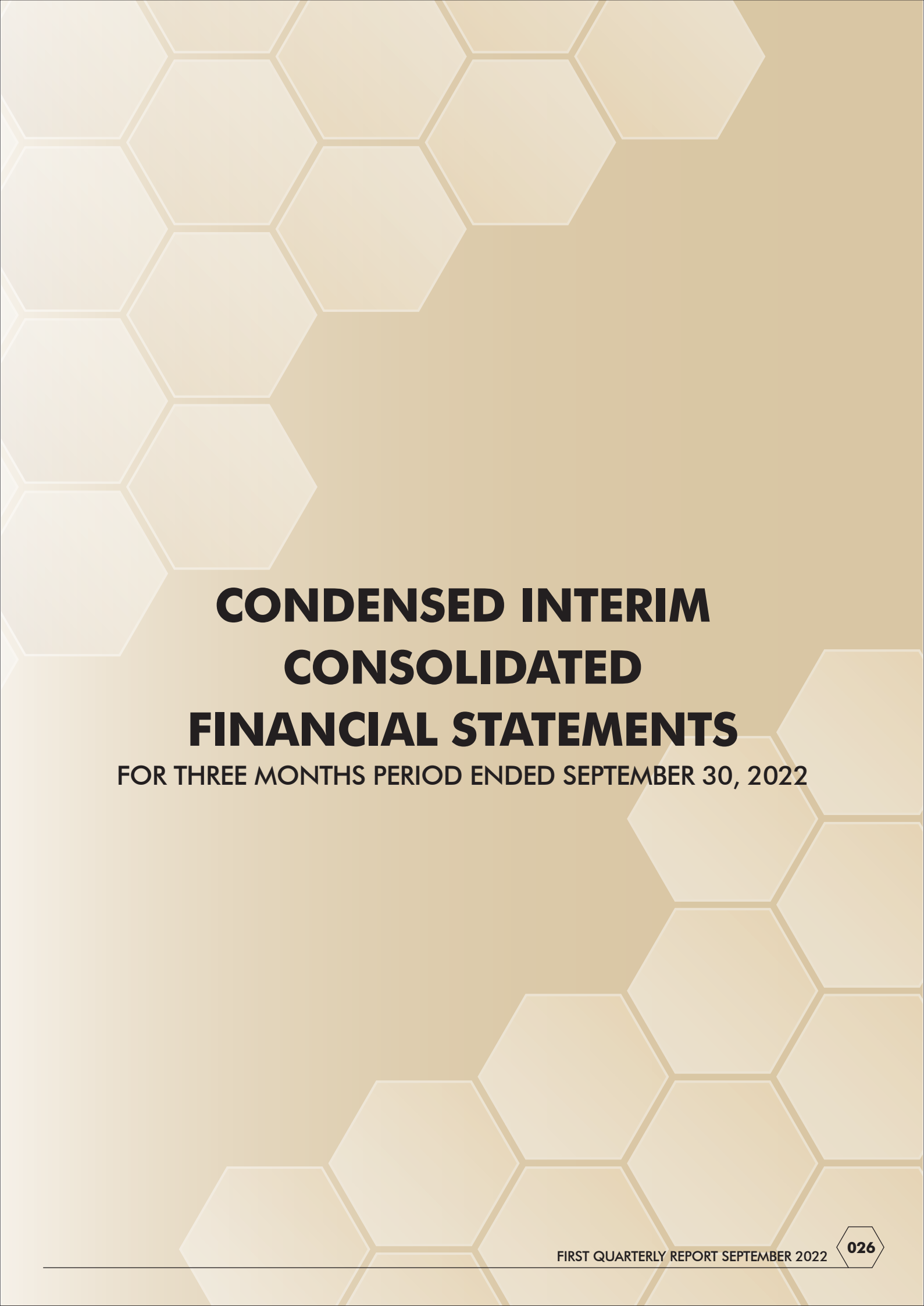
Chief Financial Officer



Chief Executive Officer



Director



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Javedan Corporation Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
----- (Rupees in '000) -----			
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	7,122,419	6,927,174
Intangible assets		2,876	3,163
Investment properties		719,990	719,991
Long term deposits		11,719	13,372
Contract cost assets		-	19,467
Deferred Tax Asset		49,060	36,445
		7,906,064	7,719,612
Current Assets			
Development properties	6	17,773,698	20,554,417
Trade debts	7	6,345,479	408,936
Contract cost assets		-	8,849
Contract assets		-	916,202
Loans and advances	8	1,672,796	1,883,787
Short Term Investment		13,000	13,000
Trade deposits, prepayments and other receivables	9	191,660	146,207
Unclaimed deposits		782	782
Cash and bank balances		1,253,888	2,767,443
		27,251,303	26,699,623
Asset classified as held for sale	10	2,979,882	-
		38,137,249	34,419,235
Total Assets			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised			
390,000,000 (2020: 290,000,000) ordinary shares of Rs.10/- each		3,900,000	3,900,000
Issued, subscribed and paid-up capital		3,808,604	3,808,604
Capital reserves		2,758,293	2,758,293
Revenue reserves		5,836,278	3,185,502
Other component of equity - revaluation surplus on lands		8,369,467	8,394,190
		20,772,642	18,146,589
Non-Current Liabilities			
Long-term financing	11	7,077,636	8,937,129
Deferred Grant		92,336	33,754
Deferred liability - gratuity		72,361	69,441
		7,242,333	9,040,324
Current Liabilities			
Trade and other payables	12	1,341,455	1,546,333
Preference shares		505	505
Accrued mark-up		320,134	205,809
Contract liabilities		957,071	1,158,000
Advance against sale of investment properties		179,172	176,676
Short-term borrowings	13	1,399,555	1,833,164
Current maturity of non-current liabilities		2,378,919	2,116,734
Taxation - net		175,088	190,609
Unpaid dividend		1,523,442	-
Unclaimed dividend		4,250	-
Unpaid preference dividend		259	242
		8,279,850	7,232,322
Liabilities associated with asset classified as held for sale	10	1,842,424	-
		38,137,249	34,419,235
TOTAL EQUITY AND LIABILITIES			

CONTINGENCIES AND COMMITMENTS

14

The annexed notes from 1 to 21 form an integral part of these condensed interim financial information.

Chief Financial Officer

Chief Executive Officer

Director

Javedan Corporation Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

		Three month period ended	
	Note	September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
Continuing Operations			
Revenue from contracts with customers - net	15	6,566,160	29,208
Cost of sales	16	(2,146,620)	(47,525)
Gross profit/(loss)		4,419,540	(18,317)
Expenses			
Marketing and selling expenses		6,135	4,589
Flyover cost		267,649	-
Administrative expenses		175,652	123,522
Finance cost		31,410	14,938
		(480,846)	(143,049)
Other income		116,427	44,588
Profit/(Loss) from continuing operation before taxation		4,055,121	(116,778)
Taxation	17	(45,329)	8,164
Profit/(Loss) from continuing operation after taxation		4,009,792	(108,614)
Profit from discontinued operation after taxation	10	139,703	-
Net Income		4,149,495	(108,614)
		2022	2021
		----- Rupees -----	
		Restated	
Earnings per share - basic & diluted			
from continuing operation		10.53	(0.29)
from discontinued operation		0.37	-
Total earning/(loss) per share	18	10.90	(0.29)

The annexed notes from 1 to 21 form an integral part of these condensed interim financial information.

Chief Financial Officer

Chief Executive Officer

Director

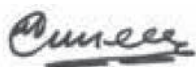
Javedan Corporation Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Note	Three month period ended	
	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----	
Profit/(Loss) after taxation	4,149,495	(108,614)
Other comprehensive income for the period	-	-
Total comprehensive profit/(loss) for the period	4,149,495	(108,614)
Comprehensive profit/(loss) for the period - continuing operations	4,009,792	(108,614)
Comprehensive profit for the period - discontinued operations	139,703	-
Net comprehensive profit/(loss) for the period	4,149,495	(108,614)

The annexed notes from 1 to 21 form an integral part of these condensed interim financial information.



Chief Financial Officer



Chief Executive Officer



Director

Javedan Corporation Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Issued, subscribed and paid-up capital	Capital reserves		Revenue reserves		Other component of equity	Total Equity
	Share premium	Tax holiday reserve	General	Unappropri- ated profits	Revaluation surplus on lands	

----- (Rupees in '000) -----

Balance as at June 30, 2021

3,173,837 3,381,094 11,966 63,500 2,663,604 8,461,779 17,755,780

Loss for the period

- - - - (108,614) - (108,614)

Other comprehensive income/(loss), net of tax

- - - - - -

Total comprehensive income, net of tax

- - - - (108,614) - (108,614)

Revaluation surplus on land realised

on account of sale of development properties

- - - - 1,495 (1,495) -

Advance against Shares

- - - - - - 1,000,000

Balance as at September 30, 2021

3,173,837 3,381,094 11,966 63,500 2,556,485 8,460,284 18,647,166

Balance as at June 30, 2022

3,808,604 2,746,327 11,966 63,500 3,122,002 8,394,190 18,146,589

Profit for the period

- - - - 4,149,495 - 4,149,495

Other comprehensive income/(loss), net of tax

- - - - - -

Total comprehensive income, net of tax

- - - - 4,149,495 - 4,149,495

Interim dividend @40 percent on ordinary shares
for the year ended June 30, 2022

- - - - (1,523,442) - (1,523,442)

Revaluation surplus on land realised

on account of sale of development properties

- - - - 24,723 (24,723) -

Balance as at September 30, 2022

3,808,604 2,746,327 11,966 63,500 5,772,778 8,369,467 20,772,642

Chief Financial Officer

Chief Executive Officer

Director

Javedan Corporation Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

		Three month period ended	
		September 30, 2022	September 30, 2021
Note		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income		4,149,495	(108,614)
Adjustments - continuing operations:			
Depreciation		8,770	5,766
Amortization		288	288
Income tax expense		-	(8,164)
Gratuity expense		4,933	4,257
Finance cost		31,410	-
Mark-up on saving accounts		(34,163)	(3,217)
		11,238	(1,070)
Operating profit/(loss) before working capital changes		4,160,733	(109,684)
(Increase) / decrease in current assets			
Trade debts		(5,936,543)	2,641
Development properties		3,073,526	(137,729)
Advances		210,992	(98,731)
Deposits, prepayments and other receivables		(45,453)	(14,403)
Short term investment		-	1,222,052
		(2,697,478)	973,830
Increase / (decrease) in current liabilities			
Trade and other payables		(204,877)	(672,115)
Contract Liabilities		(200,929)	8,721
Advance against sale of investment properties		2,496	61,650
Accrued mark-up		-	65,659
Unpaid preference dividend		-	15
		(403,310)	(536,070)
Net cash generated from operations		1,059,944	328,076
Income tax paid		(60,850)	(15,538)
Finance cost paid		(209,892)	-
Gratuity paid		(2,014)	(103)
Cash generated from / (used in) Operating activities - continuing operations		787,188	312,435
Cash generated from / (used in) Operating activities - discontinued operations		(129,460)	-
Net cash generated from Operating activities		657,728	312,435

Javedan Corporation Limited

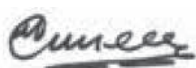
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

OR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Three month period ended	
	September 30, 2022	September 30, 2021
Note		
	----- (Rupees in '000) -----	
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment made for purchase of property, plant and equipment and CWIP	(204,102)	(36,990)
Interest received	34,163	3,217
Payment made for Long Term Security Deposit	1,653	(1,204)
Cash used in investing activities - continuing operations	(168,286)	(34,977)
Cash used in investing activities - discontinued operations	-	-
Net cash used in investing activities	(168,286)	(34,977)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt / (Repayment) of long-term finance	(1,597,308)	1,767,490
Proceeds/ (Repayment) of short term borrowings-net	(433,609)	(640,766)
Deferred grant	58,582	598
Advance against shares	-	1,000,000
Cash (used in) / generated from financing activities - continuing operations	(1,972,335)	2,127,322
Cash (used in) / generated from financing activities - discontinued operations	311	-
Net cash (used in) / generated from financing activities - continuing operations	(1,972,024)	2,127,322
Net increase in cash and cash equivalent	(1,482,582)	2,404,780
Cash and cash equivalents at beginning of the period	2,767,443	153,561
Cash and cash equivalents at end of the year - discontinued operations	(30,973)	-
Cash and cash equivalents at end of the year	1,253,888	2,558,341

The annexed notes from 1 to 21 form an integral part of these condensed interim financial information.



Chief Financial Officer



Chief Executive Officer



Director

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

1. STATUS AND NATURE OF BUSINESS

1.1 The Group companies comprise of Javedan Corporation Limited (JCL) and its subsidiary companies i.e. NN Maintenance Company (Private) Limited (NNMC), Sapphire Bay Development Limited (SBDCL) and Globe Residency REIT (GRR) that have been consolidated in these condensed interim consolidated financial information.

1.2 Holding Company

Javedan Corporation Limited (the holding company)

Javedan Corporation Limited (the Holding Company) was incorporated in Pakistan on June 08, 1961, as a public limited company under the repealed Companies Act, 1913 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The registered office of the Company is located at Arif Habib Centre, 23, M.T Khan Road, Karachi.

1.3 The Holding Company has ceased its cement business since July 01, 2010 and the management has developed business diversification strategy for utilizing the Holding Company's land for developing a housing scheme, "Naya Nazimabad", that includes bungalows, open plots, flat sites and commercial sites. The Holding Company's layout plan of the project was approved by Lyari Development Authority vide letter number LDA/PP/2010/255 on March 02, 2011 and revised master plan approved vide letter No CTP/LDA/112 and has obtained No Objection Certificate from Sindh Building Control Authority having NOC # SBCA/D.D(D-II)/985/ADV-503/2011 on November 12, 2011 and revised NOC # SBCA/DD(D-II)/985 & 991/ADV-584/2013. The Holding Company is also the member of Association of Builders and Developers of Pakistan (ABAD).

1.4 Subsidiary companies

NN Maintenance Company (Private) Limited

The Subsidiary Company was incorporated on November 29, 2019 under the Companies Act, 2017 (the Act). The principal activities of the Company are to carry out maintenance, other related business and work of development at Naya Nazimabad, a housing scheme of Javedan Corporation Limited. The Company commenced its operational activities from the month of January 01, 2020.

Sapphire Bay Development Company Limited

The Subsidiary Company was incorporated on August 25, 2021 as a Public Unlited Company under Companies Act, 2017. The Company's principle line of business shall be marketing and development of all type of real estate including developed or undeveloped land, housing or commercial projects including commercial markets or multistoried building (for commercial or residential purposes), shopping centers, restaurants, hotels, recreational facilities etc. with the permission of concerned authorities and compliance with applicable laws and regulations.

Globe Residency REIT (the Subsidiary Company "REIT Scheme")

Globe Residency REIT (the scheme) was established under Trust Deed dated December 24, 2021, executed between Arif Habib Dolmen REIT Management Limited (AHDRML), as the REIT Management Company (RMC) and Central Depository Company of Pakistan Limited (CDCPL), as the Trustee; and is governed under the Real Estate Investment Trust Regulations, 2015 (REIT Regulations 2015), promulgated and amended from time to time by the Securities & Exchange Commission of Pakistan (SECP).

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

1.5 The geographical location and addresses of business units are as under:

Location	Address
Registered office - Holding Company	Arif Habib Centre, 23, M.T Khan Road, Karachi.
Naya Nazimabad Sales centre	Naya Nazimabad, Deh, Manghopir road, Gadap town, Scheme #43, Karachi.
Naya Nazimabad Project	Naya Nazimabad, Deh, Manghopir road, Gadap town, Scheme #43, Karachi
Registered office - (NNMC) Subsidiary Company	Plot No. 103, Admin block, Naya Nazimabad, Mangopir Road, Karachi.
Registered office - (GRR) Subsidiary Company	Arif Habib Centre, 23, M.T Khan Road, Karachi.
Registered office - (SBDCL) Subsidiary Company	Arif Habib Centre, 23, M.T Khan Road, Karachi.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company for the three months period ended September 30, 2022 has 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 International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and
- 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.

3. BASIS OF PREPARATION

3.1. The preparation of these condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by the management in applying the Company's accounting policies and areas where assumptions and estimates are significant are same as those applied to the annual financial statements of the Company as at and for the year ended June 30, 2022. The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company as at and for the year ended June 30, 2022.

3.2. These condensed interim financial statements is presented in Pakistan Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest rupees, otherwise stated.

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended June 30, 2022, except for the adoption of the new/amended standards, interpretations and improvements to accounting standards, which became effective for the current period.

The adoption of above standards, interpretations and improvement to standards did not have any material effect or either not relevant or did not have any material effect on the condensed interim financial information.

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
5. PROPERTY, PLANT AND EQUIPMENT			
Opening Net Book Value		4,951,231	4,771,989
Add: Additions/Transfers during the period/year	5.1	46,874	208,755
Less: Disposals during the period/year	5.2	-	(15)
Less: Depreciation during the period/year		(8,770)	(28,895)
Closing Net Book Value		4,989,335	4,951,834
Add: Capital work-in-progress	5.3	2,133,084	1,975,340
		<u>7,122,419</u>	<u>6,927,174</u>
5.1 Additions to operating fixed assets, during the period / year were as follows			
Other land		-	2,458
Buildings on other land		-	74,421
Recreational facilities		4,730	108,460
Furniture and fixtures		4,073	2,342
Office equipment		1,829	3,706
Medical equipment		345	190
Computer equipment		1,397	7,318
Vehicles		34,500	9,860
		<u>46,874</u>	<u>208,755</u>
5.2 The following assets were disposed off during the period / year:			
Office equipment		-	15
		-	<u>15</u>
5.3 Capital work-in-progress			
Opening		1,975,340	1,472,843
Additions		157,744	685,377
Transfer from capital work-in-progress		-	(182,880)
Closing		<u>2,133,084</u>	<u>1,975,340</u>

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
----- (Rupees in '000) -----			
6. DEVELOPMENT PROPERTIES			
Opening balance		16,441,918	15,031,918
Add: Incurred during the period		-	1,410,000
		16,441,918	16,441,918
Development expenditure			
Opening balance		12,028,016	10,938,044
Add: Incurred during the period		186,351	2,144,993
		12,214,367	13,083,037
Borrowing costs related to development properties			
Opening balance		3,388,027	2,683,235
Add: Additions during the period		292,807	704,792
		3,680,834	3,388,027
		32,337,119	32,912,982
Transferred to:			
- property, plant and equipment		(71,003)	(71,003)
- investment properties		(40,291)	(40,291)
- cost of sales to date		(9,669,811)	(7,576,888)
- development charges incurred and apportioned to date		(4,782,316)	(4,670,383)
		17,773,698	20,554,417
7. TRADE DEBTS			
Secured, considered good			
Receivable against:			
- sales of plots and bungalows		128,997	95,171
- transfer of land to REIT scheme - NNAR	7.1	5,824,625	-
		5,953,622	95,171
- utilities infrastructure charges		4,691	1,913
- maintenance services		78,694	68,683
- development charges incurred:			
- billed	7.2	56,578	49,597
- un-billed	7.3	251,894	193,572
		308,472	243,169
	7.4	6,345,479	408,936
7.1	This represents sale consideration receivable from Naya Nazimabad Apartment REIT (REIT Scheme) against land measuring 46,597 sq yds. This REIT Scheme is managed by Arif Habib Dolmen REIT Management Limited, a related party. As per the terms agreed 291,231,250 units of REIT Scheme will be issued to the Company having face value of Rs. 10 / each and remaining proceeds will be paid in cash.		
7.2	Represents development cost billed to customers as per the terms of their sale agreement.		
7.3	Represents development cost incurred but not billed to customers as of reporting date, however the same will be billed to the respective customers in accordance with the terms of the sale contract.		

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
7.4	Included herein related party balances as follows,.		
- Arif Habib Equity Private Limited		8,033	3,385
- Abdul Ghani		4,901	3,071
- Arif Habib Limited		10,478	7,370
- Nida Ahsan		3,265	1,539
- Arif Habib		-	400
8.	LOANS AND ADVANCES - Considered good		
Loans - secured			
Executives		6,957	7,339
Employees		2,012	5,413
		8,968	12,752
Loans - unsecured			
Loan to a related party - Arif Habib Limited		800,000	800,000
Advances - unsecured			
Suppliers	8.1	544,069	551,269
Contractors		260,412	499,474
Employees for expenses		5,196	6,142
Purchase of properties		54,151	14,150
		863,828	1,071,035
		1,672,796	1,883,787
8.1	Included herein advances to related parties for purchase of cement and concrete, as follows:		
- Safemix Concrete Limited		137,887	133,313
- Power Cement Limited		27,879	30,501
		165,766	163,814
9.	TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Deposits			
Considered good			
- Security deposit with Sindh Building Control Authority		3,345	3,345
- Others		12,898	12,509
		16,243	15,854
Considered doubtful			
- Guarantee margin		225	225
- Contractors		2,680	2,680
		2,905	2,905
Provision for impairment		(2,905)	(2,905)
		16,242	15,854

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
Prepayments			
Prepaid rent, insurance and expenses		43,290	8,474
Other receivables - Considered good			
Sales tax refundable - considered doubtful		4,703	4,703
Reimbursable expenses		-	22,962
Excise duty refundable - considered good		574	574
Receivable from REIT Scheme - SBIDRI		93,090	85,182
Others - considered good	9.1	38,464	13,161
		136,831	126,582
Provision for impairment		(4,703)	(4,703)
		191,660	146,207
9.1.	Included herein receivables from related parties, as follows:		
- International Builders and Developers (Private) Limited - associate		187	187
- Arif Habib Limited - associates		37,270	9,512
- Haji Abdul Ghani		369	369
- Naya Nazimabad apartment REIT		-	3,144

10. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

The Company has sold land measuring 40,500 square yards to Globe Residency REIT (GRR, a REIT Scheme) for consideration in cash of Rs 1,840 million and in form of units of GRR of Rs 1,400 million having face value of Rs. 10 each. Resultantly, GRR becomes the subsidiary of the Company by virtue of 100% unit holdings in GRR.

Subsequent to the year ended 30 June 2022, the Board of Directors and shareholders of the Company in their meeting held on August 27, 2022 and September 21, 2022 respectively, resolved to sale or otherwise disposing of up to 100% units of the GRR [a wholly owned subsidiary], including by way of Offer for Sale through Pakistan Stock Exchange, after obtaining all requisite regulatory approvals in accordance with the applicable laws, rules, and regulations. The management expect that this transaction will be completed within next financial year.

Although GRR was not previously classified as Asset held for sale. The comparative consolidated statement of profit or loss and other comprehensive income has not been re-presented to show the discontinued operation separately from continuing operations as in the corresponding period the disposal group classified as held for sale had not been registered/commenced operations.

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
----- (Rupees in '000) -----			
10.1. Following are the financial performance and cash flow of GRR.			
Results of discontinued operation			
Revenue		660,476	-
Cost of sale		(443,515)	-
Gross profit		216,961	-
Profit before taxation - discontinued operations		173,607	-
Taxation		(33,904)	-
Profit after taxation - discontinued operations		139,703	-
Cash flows from discontinued operations:			
Net cash generated from operating activities		(129,460)	-
Net cash generated from investing activities		-	-
Net cash generated from financing activities		311	-
	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
----- (Rupees in '000) -----			
10.2. Assets and liabilities of disposal group held for sale			
Property and equipments		544	-
Contract cost assets		19,073	-
Inventory property		1,275,406	-
Current portion of contract cost assets		8,669	-
Contract assets		1,155,032	-
Receivables and deposits		236	-
Advance for development expenditure		489,949	-
Cash and bank balances		30,973	-
Asset classified as held for sale		2,979,882	-
Long term loan		1,400,000	-
Outstanding land consideration		-	-
Contract liabilities		79,242	-
Commission payable		524	-
Payable to suppliers		60,372	-
Payable to the REIT Management Company		20,835	-
Payable to the Central Depository Company of Pakistan Limited - Trustee		3,173	-
Payable to the Securities and Exchange Commission of Pakistan		4,311	-
Accrued expenses and other liabilities		211,417	-
Accrued profit on long term loan		62,550	-
Liabilities associated with asset classified as held for sale		1,842,424	-

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
11. LONG-TERM FINANCING		----- (Rupees in '000) -----	
Term finance loan II		476,525	510,231
Term finance loan III		1,986,273	1,988,589
Term finance loan IV		1,000,000	1,000,000
Term finance loan V		-	1,400,000
SBP-Refinance Scheme		6,832	13,547
Sukuk certificates		2,239,111	2,238,642
Diminishing musharakah I		696,429	750,000
Diminishing musharakah II		996,475	996,415
Diminishing musharakah III		1,000,000	1,000,000
Diminishing musharakah IV		700,000	700,000
Islamic refinance facility		354,911	391,567
		<u>9,456,555</u>	<u>10,988,991</u>
Current maturity of long-term financings		(2,378,919)	(2,051,862)
	11.1	<u>7,077,636</u>	<u>8,937,129</u>

- 11.1** The terms and conditions of Long-term financing arrangements are same as disclosed in note 24 to the annual audited financial statements of the Company for the year ended 30 June 2022.

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
12. TRADE AND OTHER PAYABLES		----- (Rupees in '000) -----	
Creditors		54,547	205,873
Accrued liabilities		96,918	164,337
Retention money		135,111	119,009
Withholding tax payable		23,088	40,659
Unearned service fee		82	739
Other payables:			
- on cancellation of plots		8,917	8,917
- against other projects		920,770	920,770
- book overdraft		3,999	-
- non-violation charges		90,641	86,030
- Globe Residency REIT		-	-
- Naya Nazimabad Apartment REIT		7,382	-
	12.1	<u>1,341,455</u>	<u>1,546,333</u>

- 12.1.** Included herein Rs. 2.976 million and Rs. Nil million (June 30, 2022: Rs.2,976 and Rs.0.124) Payable to Arif Habib Dolmen REIT Management Limited and Rotocast Engineering Company (Private) Limited respectively.

	Note	(Unaudited) September 30, 2022	(Audited) June 30, 2022
13. SHORT-TERM BORROWINGS - Secured		----- (Rupees in '000) -----	
Musharakah arrangement		300,000	300,000
Running finance under mark-up arrangements		-	599,736
Running finance under mark-up arrangements		1,099,555	933,428
	13.1.	<u>1,399,555</u>	<u>1,833,164</u>

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

13.1. The terms and conditions of short term borrowings are same as disclosed in note 31 to the annual audited financial statements of the Company for the year ended 30 June 2022.

14. CONTINGENCIES AND COMMITMENTS

The status and nature of contingencies and commitments are same as those disclosed in an annual audited financial statements of the Company for the year ended June 30, 2022.

Note	Three month period ended	
	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----	
15. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET		
Plots	6,526,059	9,857
Bungalows	-	-
	6,526,059	9,857
Less:		
Cancellation and forfeiture	-	-
Service income - net	40,101	19,351
	6,566,160	29,208
16 COST OF SALES		
Cost of development properties sold:		
- plots	2,092,923	8,171
- bungalows	-	-
	2,092,923	8,171
Development charges:		
- incurred and apportioned to customers	-	70,652
- reimbursable from customers	-	(70,652)
	-	-
Cost of service	53,697	39,354
	2,146,620	47,525
17. TAXATION		
Current	45,329	463
Deferred	-	(8,627)
	45,329	(8,164)
18. EARNINGS PER SHARE		
Basic - total		
Profit/(loss) after tax (Rupees in '000)	4,149,495	(108,614)
Weighted average numbers of ordinary shares	380,860,447	380,860,447

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Note	Three month period ended	
	September 30, 2022	September 30, 2021
	Restated	
	----- (Rupees in '000) -----	
Earnings/(loss) per share - (Rupees)	10.90	(0.29)
Diluted - total		
Profit/(loss) after tax	4,149,495	(108,614)
Weighted average numbers of ordinary shares	380,873,295	380,860,447
Earnings/(loss) per share - (Rupees)	10.90	(0.29)

19. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associates and their close family members, key management personnel and post employment benefit plan. The details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Note	Three month period ended	
	(Unaudited) September 30, 2022	(Unaudited) September 30, 2021
	----- (Rupees in '000) -----	
Associates		
Arif Habib Corporation Limited		
Mark-up paid during the period	-	2,723
Arif Habib Equity (Pvt) Limited		
Sale of plots	174,500	-
Advance adjusted against sale of plots	174,500	-
Arif Habib Limited		
Markup income on short-term-borrowing	34,098	-
Power Cement Limited		
Purchase of construction material	10,863	-
Paid against the purchase of construction material	8,241	-
Rotocast Engineering Company (Private) Limited		
Services received during the period	311	183
Paid against services received	338	118
Rent prepaid during the period	-	301,871
Rent expense charged during the period	-	301,871
Safe Mix Concrete Limited		
Purchase of construction material	7,777	1,808
Paid against the purchase of construction material	10,308	1,533

Javedan Corporation Limited

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Note	Three month period ended	
	(Unaudited) September 30, 2022	(Unaudited) September 30, 2021
	----- (Rupees in '000) -----	
Haji Abdul Ghani - Associated person		
Sale of plots	57,000	-
Advance adjusted against sale of plots	57,000	-
Development charges billed	-	-
Development charges received	-	-
Key management personnel		
Arif Habib - Director		
Sale of plots	38,000	-
Advance adjusted against sale of plots	38,000	-
Short-term loans received during the period	-	675,000
Short-term loans paid during the period	-	675,000
Mark-up expense on short term-borrowing	-	894.00
Post employment benefit plan		
Gratuity fund trust - contribution paid during the period	2,014	103

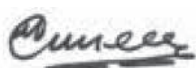
All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company. The outstanding receivable and payable balances of the related parties are disclosed in their respective notes to these financial statements.

20. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorized for issue on October 27, 2022 by the Board of Directors of the Company.

21. GENERAL

Figures have been rounded-off to the nearest thousands rupees.



Chief Financial Officer



Chief Executive Officer



Director

REGISTERED OFFICE

Arif Habib Center 23, M T Khan Road
Karachi – 74000 PAKISTAN

SITE OFFICE:

Naya Nazimabad Manghopir Road,
Karachi – 75890

**Call Us:**

UAN: 111-511-611

Tel: +92 21 36770141-42

**Email Us:**

Email: info@jcl.com.pk

Website: www.jcl.com.pk