



DAWOOD EQUITIES LIMITED

**Half Yearly Report
December 31, 2018
(Un-Audited)**

**HALF
YEARLY
REPORT
2018**



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Our Vision

Our vision is to be leader of “Brokerage industry” in Pakistan with a passion to endeavor maximum business opportunities. We strive to deliver results and perform to the highest standards

Our Mission

Our mission is to become a competitive, dynamic and growing brokerage house that provides competitive services, identifies investment opportunities and develops research based data and information.



DAWOOD EQUITIES LIMITED

Company Information

Board of Directors	Mr. Junaid Dada (Chairman) Abdul Aziz Habib (Chief Executive) Mr. Khalid Yousuf (Non executive Director) Mr. Asim Iftekhar Yakoob (Independent Director) Ms. Sobia Saif (Independent Director) Syed Muhammad Abbas (Non executive Director) Mr. Saifullah
Chief Financial officer & Company Secretary	Mr. Salman Yaqoob
Audit Committee	Mr. Asim Iftekhar Yakoob- Chairman Mr. Khalid Yousuf Ms. Sobia Saif
HR & R Committee	Mr. Asim Iftekhar Yakoob- Chairman Syed Muhammad Abbas Abdul Aziz Habib
External Auditor	Reanda Haroon Zakaria & Company Chartered Accountants
Internal Auditor	Sajid & Co. Chartered Accountants
Legal Advisor	Rauf & Ghaffar Law Associates
Bankers	Bank Al Habib Limited Habib Metropolitan Bank Limited Bank Al Falah Limited United Bank Limited Albaraka Bank (Pakistan) Limited MCB Bank Limited The Bank of Khyber
Website	www.dawoodequities.com
Registered Head Office	17th Floor - Saima Trade Towers A, I.I. Chundrigar Road, Karachi. Phone No. 021-32271881-1883 Fax No. 021-32275086
Registered Branch Office	Room 409-410, 4th Floor, New Stock Exchange Building, Stock Exchange Road, Karachi. Phone No. 021-32418874, 32460744 Fax No. 021-32418873
Share Registrar	F.D Registrar Services (SMC-Pvt) Ltd 1705 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi. Phone No. 021-35478192-93, 32271905 Fax. 021-32621233



DAWOOD EQUITIES LIMITED

DIRECTORS' REPORT TO THE MEMBERS

Dear Shareholders

On the behalf of Board of Directors of Dawood Equities Limited (DEL), I am pleased to present herewith the unaudited financial statements for the second quarter ended December 31, 2018.

FINANCIAL PERFORMANCE

The Company earned profit after tax amounting to Rs. 12.68 million as compared to loss of Rs. 26.85 million in the corresponding period last year. This will translate to earnings per share of Rs.0.48 per share as compared to loss per share of Rs 1.07 in the corresponding period last year.

The summary of Financial Results is as follows:

	December 31, 2018 Rupees	December 31, 2017 Rupees
Net Revenue	8,347,322	21,216,268
Administrative Expenses	8,609,631	8,913,320
Profit / (Loss) after tax	12,682,325	(26,854,628)
Earnings per share basic and diluted	0.48	(1.07)

EMPHASIS OF MATTER PARAGRAPH IN AUDITORS' REPORT

We draw attention of the users of the financial statements to the note 8 of the financial statements relating to deferred tax assets based on business projection for five years devised by the company. The plan involve certain key assumptions underlying the estimation of future taxable profits of the company which would then be utilized to sett-off the deferred tax assets.

ELECTION OF DIRECTORS

During the period following directors have been elected at the Annual General Meeting held on October 25, 2018 for the period of three years.

1. Juanid Dada
2. Abdul Aziz Habib
3. Sobia Saif
4. Asim Iftekhar Yaqoob
5. Muhammad Khalid
6. Muhammad Abbas
7. Saifullah

Mr. Abdul Aziz Habib and Mr. Junaid Dada have been re-appointed as Chief Executive of the company and Chairman of the Board of Directors respectively for the term of three years.

Junaid Dada
Chairman

Abdul Aziz Habib
Chief Executive Officer

Karachi: **February 25, 2019**



DAWOOD EQUITIES LIMITED

ڈائریکٹرز کی رپورٹ:

محترم حصص یافتگان

داؤد ایکویٹیز لمیٹڈ (DEL) کے بورڈ آف ڈائریکٹرز کی جانب سے، میں 31 دسمبر 2018 کو ختم ہونے والی ششماہی کے لئے غیر نظر ثانی شدہ مالی حسابات پیش کرتے ہوئے خوشی محسوس کرتا ہے۔

مالیاتی کارکردگی

کمپنی نے گذشتہ مالی سال کی اسی ششماہی میں 26.85 ملین روپے نقصان کے مقابلے موجودہ ششماہی کے دوران 12.68 ملین روپے کا ٹیکس کے بعد منافع کمایا۔ جس کے نتیجے کمپنی کو موجودہ سہ ماہی میں 0.48 روپے فی شیئر آمدنی ہوئی جبکہ گذشتہ مالی سال کی اسی سہ ماہی میں فی شیئر نقصان 1.07 روپے ہوا تھا۔ مالی نتائج کا خلاصہ حسب ذیل ہے:

December 31, 2017 Rupees	December 31, 2018 Rupees	
21,216,268	8,347,322	خالص آمدنی
8,913,320	8,609,631	انتظامی اخراجات
(26,854,628)	12,682,325	بعد از ٹیکس منافع (نقصان)
(1.07)	0.48	فی شیئر آمدنی بنیادی اور محتدل

آڈیٹرز کی رپورٹ میں معاملاتی پیرا گراف پر زور

ہم مالی حسابات کے صارفین کی توجہ کمپنی کی طرف سے تیار کردہ پانچ سالوں کے لئے کاروباری منصوبوں پر منحصر ڈیفریڈ ٹیکس اثاثوں سے متعلق مالی حسابات کے نوٹ 8 پر مرکوز کرتے ہیں۔ اس منصوبے میں کمپنی کے مستقبل کے قابل ٹیکس منافع کے تخمینہ کے تحت چند کلیدی مفروضے شامل ہیں جو ڈیفریڈ ٹیکس اثاثوں کو حل کرنے کے ٹیکس استعمال کئے جائیں گے۔

ڈائریکٹرز کا انتخاب

مدت کے دوران تین سالوں کی مدت کے لئے 25 اکتوبر 2018 کو منعقدہ سالانہ اجلاس عام میں مندرجہ ذیل ڈائریکٹرز منتخب ہوئے:

- 1۔ جنید ڈاڈا
- 2۔ عبدالعزیز حبیب
- 3۔ ثوبیہ سیف
- 4۔ عاصم افتخار یعقوب
- 5۔ محمد خالد
- 6۔ محمد عباس
- 7۔ سیف اللہ

جناب عبدالعزیز حبیب اور جناب جنید ڈاڈا کو تین سالوں کی مدت کے لئے دوبارہ بالترتیب کمپنی کا چیف ایگزیکٹو اور بورڈ آف ڈائریکٹرز کا چیئرمین مقرر کیا گیا ہے۔

عبدالعزیز حبیب
چیف ایگزیکٹو آفسر

جنید ڈاڈا
چیئرمین

کراچی: 25 فروری 2019



DAWOOD EQUITIES LIMITED

**TO THE MEMBERS OF DAWOOD EQUITIES LIMITED
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Dawood Equities Limited ("the Company") as at December 31, 2018 and the related 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, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

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

Conclusion

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

Emphasis of Matter(s)

- (i) We also draw attention towards note 8 of the annexed financial statements relating to deferred tax asset. Management believes that the asset will be utilized in coming years, relating to provision for trade debts and alternate corporate tax and losses. However, uncertainty is attached with the realization of recognized deferred tax asset.

Our opinion is not qualified in respect of above matter.

The engagement partner on the review resulting in this report on interim financial statements is Muhammad Haroon.

**Reanda Haroon Zakaria & Company
Chartered Accountants**

**Place: Karachi
Dated:**



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT DECEMBER 31, 2018**

		<i>(Un-audited)</i> <i>December 31,</i> <i>2018</i>	<i>(Audited)</i> <i>June 30,</i> <i>2018</i>
	<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
ASSETS			
Non-Current Assets			
Property and equipment	5	14,227,963	14,530,795
Intangible assets	6	2,500,000	2,500,000
Long term investment - at fair value through OCI	7	25,823,072	37,583,322
Long term deposit		1,637,500	1,137,500
Deferred tax asset	8	45,719,295	46,632,732
		<u>89,907,830</u>	<u>102,384,349</u>
Current Assets			
Short term investments	9	39,971,471	81,621,981
Trade debts	10	66,982,436	55,178,928
Receivable against margin finance		4,628,290	3,723,686
Advances, deposits and prepayments		18,895,875	11,936,403
Other receivables		11,243,292	11,227,485
Tax refunds due from government		20,503,250	18,839,552
Cash and bank balances	11	5,258,785	18,883,066
		<u>167,483,399</u>	<u>201,411,101</u>
Total Assets		<u>257,391,229</u>	<u>303,795,450</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Authorized Share Capital			
30,000,000 Ordinary shares of Rs.10 each		<u>300,000,000</u>	<u>300,000,000</u>
Issued, subscribed and paid up capital		249,965,000	249,965,000
Reserves		<u>(10,857,840)</u>	<u>3,564,484</u>
		<u>239,107,160</u>	<u>253,529,484</u>
Non Current Liabilities			
Rental deposits		25,000	25,000
Current Liabilities			
Trade and other payables	12	18,259,069	50,240,966
Contingencies			
	13		
Total Equity and Liabilities		<u>257,391,229</u>	<u>303,795,450</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2018**

	Note	Half year ended		Quarter Ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
		----- Rupees -----			
Operating revenue	14	8,347,322	21,216,269	3,890,914	11,348,187
Capital gain / (loss) on disposal of investments - net		3,888,016	(18,568,716)	4,501,512	(9,379,614)
Profit / (loss) on remeasurement of investments carried at fair value through profit and loss		2,144,496	(1,024,786)	767,391	11,217
		<u>14,379,834</u>	<u>1,622,767</u>	<u>9,159,817</u>	<u>1,979,790</u>
Administrative expenses		<u>(8,609,631)</u>	<u>(8,913,320)</u>	<u>(4,832,571)</u>	<u>(5,109,272)</u>
		<u>5,770,203</u>	<u>(7,290,553)</u>	<u>4,327,245</u>	<u>(3,129,482)</u>
Other operating income		295,255	274,855	-	110,380
Reversal of provision	15	6,652,576	-	2,699,176	-
Financial charges		<u>(35,709)</u>	<u>(733,604)</u>	<u>(17,425)</u>	<u>(33,999)</u>
Profit / (loss) before taxation		<u>12,682,325</u>	<u>(7,749,302)</u>	<u>7,008,996</u>	<u>(3,053,101)</u>
Taxation-net	16	<u>(584,877)</u>	<u>(19,105,326)</u>	<u>(429,087)</u>	<u>(17,912,448)</u>
Profit / (loss) after taxation		<u>12,097,448</u>	<u>(26,854,628)</u>	<u>6,579,910</u>	<u>(20,965,549)</u>
Earning/ (Loss) per share -Basic and Diluted		<u>0.48</u>	<u>(1.07)</u>	<u>0.26</u>	<u>(0.84)</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.


Chief Executive


Director


Chief Financial Officer



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2018**

	<i>Half year ended</i>		<i>Quarter Ended</i>	
	<i>December 31, 2018</i>	<i>December 31, 2017</i>	<i>December 31, 2018</i>	<i>December 31, 2017</i>
	<i>----- Rupees -----</i>			
(Loss) / profit for the period	12,097,448	(26,854,628)	6,893,166	(20,965,549)
Unrealized (loss) / gain on remeasurement	(24,020,122)	(12,909,898)	(8,130,291)	2,312,192
Total comprehensive loss	<u>(11,922,674)</u>	<u>(39,764,526)</u>	<u>(1,237,125)</u>	<u>(18,653,357)</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.


Chief Executive


Director


Chief Financial Officer



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2018**

	<i>(Un-audited)</i> <i>December 31,</i> <i>2018</i> <i>Rupees</i>	<i>Audited</i> <i>June 30,</i> <i>2018</i> <i>Rupees</i>
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	12,682,325	16,980,812
Adjustment for non cash items:		
Depreciation	583,232	1,058,201
Gain on remeasurement of investment	(2,144,496)	(260,764)
Capital gain on disposal of investment	(3,888,016)	(3,176,766)
Dividend income	(87,093)	(828,076)
Decline in value of TREC	-	2,500,000
Reversal for provision	(6,652,576)	-
Other income	(295,255)	-
Financial charges	35,709	776,373
	<u>233,830</u>	<u>17,049,779</u>
(Increase) / decrease in current assets		
Trade debts	(11,803,508)	(6,382,142)
Other receivables	(15,807)	10,822,331
Receivable against MF	(904,604)	6,506,529
Trade deposits and short term prepayments	(6,959,472)	28,472,691
	<u>(19,683,392)</u>	<u>39,419,409</u>
(Decrease) / increase in current liabilities		
Trade and other payables	(31,981,897)	13,419,090
	<u>(51,431,459)</u>	<u>69,888,278</u>
Taxes paid	(1,335,137)	(5,421,309)
Financial charges paid	(35,709)	(776,373)
	<u>(1,370,846)</u>	<u>(6,197,682)</u>
Net cash (used in) / generated from operating activities	<u>(52,802,305)</u>	<u>63,690,596</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(280,400)	(1,037,096)
Disposal of investments - net	39,871,331	(56,794,425)
Dividend received	87,093	828,076
Long term deposits	(500,000)	-
Net cash generated from / (used in) investing activities	<u>39,178,024</u>	<u>(57,003,445)</u>
Net (decrease) / increase in cash and cash equivalents (A+B)	(13,624,281)	6,687,151
Cash and cash equivalents at the beginning of the period	18,883,066	12,195,915
Cash and cash equivalents at the end of the period	<u>5,258,785</u>	<u>18,883,066</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer



DAWOOD EQUITIES LIMITED

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2018**

	Issued, subscribed and paid up capital	Reserves		Total	Total equity	
		Capital	Revenue			
	Gain on remeasurement of investment - at fair value through OCI	Share premium	Unappropriated loss			
----- Rupees -----						
Balance as at July 01, 2017	249,965,000	26,629,377	74,973,750	(94,325,703)	7,277,425	257,242,424
Total comprehensive income for the period						
Loss for the period	-	-	-	(26,854,628)	(26,854,628)	(26,854,628)
Other comprehensive income						
Unrealized Loss on remeasurement of investments	-	(24,020,122)	-	-	(24,020,122)	(24,020,122)
Balance as at December 31, 2017	249,965,000	2,609,255	74,973,750	(94,325,703)	(43,597,325)	206,367,674
Balance as at July 01, 2018	249,965,000	14,572,684	74,973,750	(85,981,950)	3,564,484	253,529,484
Total comprehensive income for the period						
Profit for the period	-	-	-	-	12,097,448	12,097,448
Dividend paid	-	-	-	(2,499,650)	(2,499,650)	(2,499,650)
Other comprehensive income						
Unrealized Loss on remeasurement of investments	-	(24,020,122)	-	-	(24,020,122)	(24,020,122)
	-	(24,020,122)	-	(2,499,650)	(14,422,324)	(14,422,324.44)
Balance as at December 31, 2018	249,965,000	(9,447,438)	74,973,750	(88,481,600)	(10,857,840)	239,107,160

The annexed notes from 1 to 21 form an integral part of these financial statements.


Chief Executive


Director


Chief Financial Officer



DAWOOD EQUITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2018**

1 NATURE AND STATUS OF BUSINESS

Dawood Equities Limited (the Company) was incorporated in Pakistan as an unquoted public limited company on May 3, 2006 under the Repealed Companies Ordinance, 1984 now Companies Act 2017. The Company commenced commercial operations from October 03, 2006. Subsequently the Company obtained listing on the Pakistan Stock Exchange Limited (Formerly Karachi Stock Exchange Limited) on April 14, 2008. The registered office of the Company is situated at 1900-B, Saima Trade Towers, I.I. Chundrigar Road, Karachi. The Company's principal business is trading and brokerage of listed equities, underwriting and other investments.

2. BASIS OF PRESENTATION

2.1 Statement of Compliance

This condensed interim financial report of the company for the six months period ended December 31, 2018 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act have been followed.

This condensed interim financial report is unaudited but subject to limited scope review by auditors. This condensed interim financial report do not include all of the information and disclosures required in the financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2018.

2.2 Functional and Presentation Currency

This condensed interim financial report has been presented in Pakistan Rupees, which is the functional currency of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report is the same as those applied in the preparation of the financial statements for the year ended June 30, 2018.

Certain standards, amendments and interpretations to the approved accounting standards are effective for accounting periods beginning on or after July 1, 2018 but are considered not to be relevant or have any significant effect on the Company's operation and are therefore not detailed in this condensed interim financial report.

4. ESTIMATES

The preparation of this condensed interim financial report in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

In preparing this condensed interim financial report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June, 2018.



		<i>(Un-audited)</i>	<i>(Audited)</i>
		<i>December 31,</i>	<i>June 30</i>
		<i>2018</i>	<i>2018</i>
	<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
5 PROPERTY AND EQUIPMENT			
Opening net book value		14,530,795	14,551,898
Add: Additions	5.1	280,400	1,037,096
Depreciation		(583,232)	(1,058,199)
Closing net book value		<u>14,227,963</u>	<u>14,530,795</u>
5.1 Following additions were made during the period			
Furniture and fixture		-	343,000
Computer equipment		-	306,696
Office equipment		35,000	279,400
Land and building		-	15,000
Motor vehicle		245,400	93,000
		<u>280,400</u>	<u>1,037,096</u>
6 INTANGIBLE ASSETS			
Trading Rights Entitlement Certificates (TRECs)		<u>2,500,000</u>	<u>2,500,000</u>
7 LONG TERM INVESTMENT			
		<i>(Un-audited)</i>	<i>(Audited)</i>
		<i>December 31,</i>	<i>June 30,</i>
		<i>2018</i>	<i>2018</i>
	<i>No of shares</i>	<i>Rupees</i>	<i>Rupees</i>
1,902,953	1,902,953	Investment in shares of Pakistan Stock Exchange Limited - available for sale	37,583,322
		Unrealized (Loss) / gain on remeasurement	49,640,015
		<u>(11,760,250)</u>	<u>(12,056,693)</u>
<u>1,902,953</u>	<u>1,902,953</u>	<u>25,823,072</u>	<u>37,583,322</u>
7.1 Shares in Hand			
	Available for sale-freeze	1,081,194	1,081,194
	Available for sale when	21,759	821,759
		<u>1,102,953</u>	<u>1,902,953</u>
7.2 Shares Pledged			
		800,000	-
		<u>1,902,953</u>	<u>1,902,953</u>



DAWOOD EQUITIES LIMITED

8 DEFERRED TAXATION

Deferred tax asset amounting to Rs. 45.719 million (June 30, 2017 : Rs. 46.632 millions) has not been recognized on the ground that uncertainty exist regarding future profits of the Company against which the asset could be utilized accordingly & deferred tax is recognised to the extent upto which profitability is expected in next five years based on current profitability of the company.

	<i>Note</i>	<i>(Un-audited) December 31, 2018 Rupees</i>	<i>(Audited) June 30, 2018 Rupees</i>
9 SHORT TERM INVESTMENTS			
Related party			
At fair value through profit and loss	9.1	40,300	3,942
Others:			
At fair value through profit or loss	9.2	16,949,393	1,328,967
At fair value through OCI	9.3	13,225,809	36,781,380
Others - at fair value through profit or loss	9.4	9,755,969	43,507,692
		39,971,471	81,621,981

9.1 Related party-at fair value through profit and loss

	<i>December 31, 2018</i>	<i>June 30, 2018</i>			
	<i>Number of Shares</i>				
	5,000	451	BRR Guardian Modaraba	35,545	3,422
			Gain on remeasurement of investments	4,755	520
				40,300	3,942

The market value of each listed security is as follow:

BRR Guardian Modaraba	8.06	8.74
-----------------------	-------------	------

9.2 At fair value through profit or loss

	<i>December 31, 2018</i>	<i>June 30, 2018</i>			
	<i>Number of Shares</i>				
	11,301	567,613	786 Investment (Formerly Dawood Capital Management Limited)	87,193	1,220,367
	1,569,420	-	Dawood Family Takaful Company Ltd.	13,970,580	-
	30,000	30,000	First Dawood Investment Bank Limited	69,300	137,397
				14,127,073	1,357,764
			Gain / (loss) on remeasurement of investments	2,822,320	(28,797)
				16,949,393	1,328,967



DAWOOD EQUITIES LIMITED

		<i>(Un-audited)</i>	<i>(Audited)</i>
		<i>December 31,</i>	<i>June 30,</i>
		<i>2018</i>	<i>2018</i>
		<i>Rupees</i>	<i>Rupees</i>
9.3 At fair value through OCI			
<i>December 31,</i>	<i>June 30,</i>		
<i>2018</i>	<i>2018</i>		
<i>Number of Shares</i>			
-	2,850,500	-	36,781,380
1,238,371	-	13,225,809	-
	Dawood Family Takaful Company Ltd.		
	Ansari Sugar Mills		
		13,225,809	36,781,380
		<i>(Un-audited)</i>	<i>(Audited)</i>
		<i>December 31,</i>	<i>June 30,</i>
		<i>2018</i>	<i>2018</i>
		<i>Rupees</i>	<i>Rupees</i>
	<i>Note</i>		
9.4 Others- at fair value through profit or loss			
Ordinary shares	9.4.1	9,755,969	43,507,692

9.4.1 At fair value through profit and loss - Ordinary Shares

18,884	19,668	Allied Rental Modarba	300,440	295,020
-	1,238,371	Ansari Sugar Mills	-	24,765,537
-	300	Attock Petroleum Limited	-	187,929
-	6,500	Bank Alfalah Limited	-	339,899
-	10,000	Byco Petroleum Pakistan Limited	-	122,005
3,500	3,500	Cherat Cement Company Limited (CHCC)	281,925	394,851
5,000	5,000	Crescent Star Insurance	14,500	23,457
31,000	31,000	Dost Steels Limited (DSL)	202,120	366,120
5,000	-	Engro Polymer and Chemical Limited	145,200	-
18,000	18,000	Fauji Fertilizer Bin Qasim Limited	669,781	675,027
9,500	9,500	Fauji Fertilizer Company Limited	927,580	930,562
100	100	ICI Pakistan Limited	75,858	109,455
-	2,000	International Industries Limited	-	495,396
-	500	Ittehad Chemicals Limited LOR	-	15,640
254,500	280,000	K-Electric Limited	1,417,345	1,674,613
2,800	300	Kohinoor Textile Mills Limited (KTML)	145,040	18,000
1,500	1,500	Kot Addu Power Company Limited	84,871	108,030



DAWOOD EQUITIES LIMITED

<i>December 31, 2018</i>	<i>June 30, 2018</i>		<i>(Un-audited) December 31, 2018</i>	<i>(Audited) June 30, 2018</i>
<i>Number of Shares</i>			<i>Rupees</i>	<i>Rupees</i>
5,000	5,000	Maple leaf cement factory Ltd	259,628	273,788
2,500	-	Loads Limited	70,637	-
-	2,500	Mughal Iron & Steel Limited	-	161,521
1,000	-	Netsol Technology Limited	114,514	-
-	400	Otsuka Pakistan Limited	-	107,060
7,000	5,000	Pak Electorm Limited (Pael)	216,111	171,657
21,537	20,000	Pakistan International Bulk Limited	233,892	244,210
10,000	-	Siddiqsons Tin Limited	216,910	-
35,000	367	Power Cement Limited	274,201	3,225
400	400	Service Industrieis Limited	294,400	312,930
8,000	5,000	Sui Northern Gas Pipelines Ltd (Sngpl)	712,960	487,320
50,500	24,500	Sui Southern Company Limited	1,273,813	885,632
5,000	-	United Bank Limited	707,679	-
-	669,808	The Bank of Punjab	-	7,888,348
10,000	10,000	The Hub Power Company Limited	874,700	980,339
16,500	16,500	Treet Corporation Limited	460,680	594,849
1,000	1,000	TRG Pakistan Limited - "Class- A"	27,602	37,369
25,000	25,000	Tristar Polyster Limited	436,161	511,571
			10,438,548	43,181,360
		Loss on remeasurement of investments	(682,579)	326,332
			9,755,969	43,507,692

9.4.2 The market value of each listed security is as follows:

786 Invesment Limited	24.70	2.15
Allied Rental Modarba	14.00	17.11
Ansari Sugar Mills	10.68	20.58
Attock Petroleum Limited	-	589.99
BRR Guardina Modarba	-	8.74
Bank Alfalah Limited	-	52.29
Byco Petroleum Pakistan Limited	-	12.20
Cherat Cement Company Limited (CHCC)	69.65	97.23
Crescent Star Insurance	1.71	3.15
Dost Steels Limited (DSL)	5.56	7.91
Engro Ploymer and Chmeical Limited	37.14	-
Fauji Fertilizer Bin Qasim Limited	37.27	38.60
Fauji Fertilizer Company Limited	92.85	98.89
First Dawood Investment Bank	1.67	3.62
ICI Pakistan Limited	794.37	801.50
International Industries Limited	-	232.29
Ittehad Chemicals Limited LOR	-	34.76
K-Electric Limited	5.94	5.68



DAWOOD EQUITIES LIMITED

	<i>(Un-audited)</i> <i>December 31,</i> <i>2018</i>	<i>(Audited)</i> <i>June 30,</i> <i>2018</i>
<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
Kohinoor Textile Mills Limited (KTML)	45.08	54.99
Kot Addu Power Company Limited	49.55	53.91
Maple leaf cement factory Ltd	40.65	50.74
Loads Limited	21.20	-
Mughal Iron & Steel Limited	-	61.42
Otsuka Pakistan Limited	-	283.05
Pak Electorn Limited (Pael)	24.90	35.46
Siddiqsons Tin Limited	17.64	-
Pakistan International Bulk Limited	10.83	11.35
Pakistan Stock Exchange Limited		19.75
Power Cement Limited	7.83	8.35
Service Industriis Limited	725.14	784.98
United Bank Limited	122.64	-
Sui Northern Gas Pipelines Ltd (Sngpl)	77.07	100.22
Sui Southern Company Limited	23.10	32.82
Netsol Limited	69.43	-
The Bank of Punjab	-	12.07
The Hub Power Company Limited	85.79	92.16
Treet Corporation Limited	23.11	34.19
TRG Pakistan Limited - "Class- A"	22.30	28.64
Tristar Polyester Limited	16.20	16.61

10 TRADE DEBTS

Considered good		55,246,536	70,276,011
Considered doubtful		153,912,110	133,731,703
	10.1	<u>209,158,646</u>	<u>204,007,714</u>
Provision for doubtful receivables		<u>(148,828,786)</u>	<u>(148,828,786)</u>
		60,329,860	55,178,928
Reversal of Provision		6,652,576	-
		<u>66,982,436</u>	<u>55,178,928</u>

10.1 This includes an amount of Rs. 10,462,471 (June 30, 2018 : Rs.10,820,173) receivable from related parties of the Company.

11 CASH AND BANK BALANCES

Cash in hand		15,090	7,830
Cash at bank			
In current accounts		1,720,977	5,907,500
In saving account		3,522,718	12,967,736
	11.1	<u>5,243,695</u>	<u>18,875,236</u>
		<u>5,258,785</u>	<u>18,883,066</u>



DAWOOD EQUITIES LIMITED

		<i>(Un-audited)</i> December 31, 2018 <i>Rupees</i>	<i>(Audited)</i> June 30, 2018 <i>Rupees</i>
11.1 Balance pertaining to:	Note		
- clients		4,774,864	13,344,583
- brokerage house		468,831	5,530,652
		<u>5,243,695</u>	<u>18,875,235</u>
12 TRADE AND OTHER PAYABLE			
Trade creditors	12.1	13,802,254	26,856,754
Due to dealer		938,676	-
Accrued expenses		3,066,652	2,086,360
Payable against Underwriting commission		-	20,000,000
Payable to NCCPL		-	624,936
Withholding tax payable		451,487	672,916
		<u>18,259,069</u>	<u>50,240,966</u>

12.1 This includes an amount of Rs. 864,838 (June 30, 2018 : Rs.1,635,964) payable to related parties of the Company.

13 CONTINGENCIES & COMMITMENTS

The status of contingencies as were reported in the financial statements for the year ended June 30, 2018 is same as follows:

13.1 The Company has filed a suit in the Honorable High Court of Sindh against one of its corporate client against recovery of Rs.75.436 million and proceedings are in process. Honorable High Court has appointed Commissioner for determination of amount. Currently 100% provision of Rs. 75.436 million has been made as ultimate outcome is uncertain.

13.2 Compromise decree has been passed by the Honorable High Court of Sindh regarding fully provided balance of Mr. Abbas Qurban of Rs. 30.33 million. The amount of Rs. 1.6 million is recovered through Provident Fund balance of Mr. Abbas Qurban with the First Dawood Investment Bank Limited. The remaining balance will be receivable in equal monthly installment of Rs.15,000 per month until fully recovered. The provision will be reversed in the similar pattern as recovery occurs.

13.3 Commitment against unrecorded transactions executed before year end having settlement date subsequent to period end :-

For purchase of shares	<u>72,388,881</u>	<u>98,724,767</u>
For sale of shares	<u>60,838,700</u>	<u>91,900,532</u>



DAWOOD EQUITIES LIMITED

		<i>(Un-audited)</i>	
		<i>December 31,</i>	<i>December 31,</i>
		<i>2018</i>	<i>2017</i>
		<i>Rupees</i>	<i>Rupees</i>
14 OPERATING REVENUE	<i>Note</i>		
Brokerage commission	14.1	5,671,866	8,666,585
Underwriting commission		1,268,618	9,078,684
Custody / Laga / NCSS Fees		881,904	1,384,681
Dividend income		87,093	546,017
Profit on cash exposure deposit		304,002	327,561
Income from margin finance		-	494,801
Brokerage commission on subscription		133,838	717,940
		8,347,322	21,216,269
14.1 Brokerage commission			
Gross commission		10,557,895	13,989,664
Sindh Sales Tax		(1,372,153)	(1,818,650)
		9,185,742	12,171,014
Commission to agents and dealers		(3,513,876)	(3,504,429)
		5,671,866	8,666,585
15 REVERSAL OF PROVISION			
Provision as at June 30,		148,828,786	-
Provision as at December 31,		142,176,210	-
Reversal of provision		6,652,576	-
16 TAXATION-NET			
Current tax		(328,561)	1,851,061
Deferred tax		913,437	17,254,265
		584,877	19,105,326
17 PROVISION FOR IMPAIRMENT LOSSES			

The aging of trade debts as at balance sheet is summarized below: -

	<i>December 31, 2018</i>		<i>June 30, 2018</i>	
	<i>Gross</i>	<i>Impairment</i>	<i>Gross</i>	<i>Impairment</i>
----- Rupees -----				
Past due 1-30 days	23,399,045	-	21,286,679	-
Past due 31 days -90 days	23,169,683	-	17,945,849	-
Past due 90 days -1 year	13,336,097	-	32,705,168	-
More than one year	153,912,110	(142,176,210)	133,731,703	(133,731,703)
Total	213,816,935	(142,176,210)	205,669,399	(133,731,703)



DAWOOD EQUITIES LIMITED

Company expects that no provision is required based as past recoveries as well as securities held. Further refer Note -13 for pending law suit based on which no further provision is made on corporate client.

18 PATTERN OF SHAREHOLDINGS

Following are the shareholders having more than 5% holding as at December 31, 2018:

<i>Sr. No.</i>	<i>Name of Shareholder</i>	<i>No. of Shares Held</i>	<i>Percentage %</i>
1.	Ayaz Dawood	4,822,131	19.29
2.	The Bank of Khyber	3,750,000	15.00
3.	Asim Abdul Ghani	2,513,000	10.05
4.	B.R.R. Guardian Modaraba	1,800,000	7.20
5.	Equity International (Private) Limited	1,634,500	6.54
		14,519,631	58.08

19 TRANSACTION WITH RELATED PARTIES

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

<i>(Un-Audited)</i> <i>Half year ended</i>		<i>(Un-Audited)</i> <i>Quarter ended</i>		
<i>December 31, 2018</i>	<i>December 31, 2017</i>	<i>December 31, 2018</i>	<i>December 31, 2017</i>	
<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	
Commission earned from brokerage transactions with member companies and key management personnel of members companies	1,799,437	1,545,903	1,154,819	714,798
Loan received during the period.	-	24,000,000	-	24,000,000
Expenses paid to member companies	120,000	62,000	60,000	62,000
FDIBL and others Employee Provident Fund Employer's contribution paid	182,394	146,266	91,197	73,065

20 DATE FOR AUTHORIZATION FOR ISSUE

The Board of Directors of the Company authorized these interim financial statements for issue on **February 25, 2019**.

21 GENERAL

Amounts have been rounded off to the nearest rupee unless otherwise stated.


Chief Executive


Director


Chief Financial Officer



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