

**Arif Habib Dolmen REIT
Management Limited**

Condensed Interim Financial Statements
for the nine months period and quarter
ended March 31, 2024

Arif Habib Dolmen REIT Management Limited
Directors' Report
For the Nine Months Ended 31st March 2024

The Board of Directors of Arif Habib Dolmen REIT Management Limited (RMC) are pleased to present the condensed interim financial statements of the Company for the nine months ended March 31, 2024.

Operational and Financial Performance

During the period, RMC continued to demonstrate its proficient management of an extensive portfolio of 13 REITs, including two listed REITs. Among these, 5 REITs have been in operation, notably Dolmen City REIT (DCR), Globe Residency REIT (GRR), Silk Islamic Development REIT (SIDR), Rahat Residency REIT (RRR), and Signature Residency REIT (SRR).

Dolmen City REIT remains the largest REIT in Pakistan with total asset size of PKR 73.3 billion. DCR maintains occupancy at over 98% with nine months rental income of PKR 3.6 billion. During the nine months ended DCR has declared a dividend of Re 1.5 per unit.

Construction work on **Globe Residency REIT** is progressing satisfactorily. As of the period end, 85.89% (804 apartments) from the available inventory (936 apartments) is sold, and the proceeds are being prudently utilized to advance the construction process. It may be noted that 408 apartments are committed under Musharaka arrangement with Meezan Bank, which will become available for sale after completion of grey structure. During the period GRR has paid a dividend of PKR 3 per unit for FY23, providing an annual dividend yield of 30% at par value.

The first phase of **Rahat Residency REIT** (Rahat I) was inaugurated in December 2022. This project comprises both of commercial and residential units, with over 55% of the total inventory already sold. Construction is currently in progress, with an anticipated completion within the estimated timeframe. The second phase of Rahat Residency REIT was also initiated in December 2023.

Signature Residency REIT encompasses two FL sites situated in Naya Nazimabad. Signature Tower, featuring a blend of commercial and residential units, was launched in January 2023. As of now, 63% of the total available inventory has been sold, and construction is currently underway according to plan.

In **Silk Islamic Development REIT** we continue to work on vicinity development, furnishing of model apartments and completion of the physical model. 65 apartments are booked. We intend to initiate another round of social media campaign shortly. Formal launch of the project shall be made subject to suitability of the operating environment. It may be noted that all arrangements for the launch are in place including all requisite approvals.

Sapphire Bay Islamic Development REIT (SBIDR) achieved substantial progress during the period by securing possession of nearly 1700 acres out of 2000 acres. It is anticipated that possession of entire 2000 acres shall be complete by September 2024. In accordance with the PPP agreement, RUDA has offered additional 100 acres for which a Master Lease Deed (MLD) shall be signed soon.

Furthermore, the acquisition of real estate for Pakistan Corporate CBD REIT (PCCR) is progressing as planned and is expected to be finalized by the end of Fiscal Year 2024.

The management is confident that all remaining REITs will commence their operations in the upcoming Fiscal Year 2025.

During the nine months ended, company has recorded revenue of PKR 221.790 million, major contributor to the revenue is DCR amounting to PKR 97.242 million, other contributions include SBIDR, SIDR, GRR and PCCBDR amounting to PKR 33.638 million, PKR 22.500 million, PKR 21.0 million and PKR 28.848 million respectively. Due to the increase in KIBOR rates, the finance cost has increased by 42% from corresponding period.

A summary of Company's financial results is tabulated below:

Line Items	March 2024 (in Rs millions)	March 2023 (in Rs millions)
Operating Revenue – net	221.790	237.014
Administration Expenses	(105.881)	(94.936)
Other Income	4.770	11.327
Finance Cost	(70.958)	(49.978)
Profit Before Tax	42.367	98.035
Profit After Tax	29.862	67.628
EPS – in rupees	1.49	3.38

Business outlook

Real estate business is currently going through a soft patch owing to economic and political uncertainties. We consider it as an opportunity to further strengthen our position in the market as a knowledge base service provider.

It is extremely important that the benefits of REITs and their positive role in the overall economic wellbeing is understood by key decision makers. REITs are the only possible instrument to document the real estate sector of the country. REIT funds setup by the company are evidence to the fact that REITs cannot only bring world class projects but would also enhance government's revenues in the process. REIT funds set up by the company have already contributed more than PKR 6 billion in revenues to the government.

Auditors

During the period, previous auditors M/s Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants retired after completion of term of five years as required by Code of Corporate Governance. On recommendation of Audit Committee, the Board of Directors has appointed M/s Yousuf Adil Chartered Accountants for the financial year ending on 30th June 2024 at a fee mutually agreed. The appointed external auditors holds satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) as required under their Quality Control Review Program.

Acknowledgement

The Board would like to thank the Securities and Exchange Commission of Pakistan and other business partners for their continued cooperation and support. We also appreciate the effort put in by the management team.

For and on behalf of the Board



Muhammad Ejaz
Chief Executive Officer



Arif Habib
Chairman

Karachi
April 30, 2024

Arif Habib Dolmen REIT Management Limited
Condensed Interim Statement of Financial Position
AS AT 31 MARCH 2024

		Unaudited	Audited
		31-Mar-24	30-Jun-23
	Note	-----Rupees-----	
ASSETS			
Non-current assets			
Property and equipment	3	17,770,367	5,140,198
Intangible asset		268,789	357,196
Long term investment	4	941,400,000	941,400,000
Long term advances and deposits	5	8,862,476	7,982,082
		<u>968,301,632</u>	<u>954,879,476</u>
Current assets			
Receivable from schemes	6	484,680,894	471,307,330
Loans and advances		9,431,277	1,364,860
Prepayments and other receivables	7	4,622,686	3,670,987
Mark-up accrued on bank deposits		493,325	219,737
Cash and bank balances	8	75,176,860	4,071,916
Taxation - net		13,150,473	11,201,387
		<u>587,555,515</u>	<u>491,836,217</u>
Total assets		<u><u>1,555,857,147</u></u>	<u><u>1,446,715,693</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
<i>Authorized capital</i>		<u>500,000,000</u>	500,000,000
Issued, subscribed and paid-up capital		200,000,000	200,000,000
<i>Revenue reserves</i>			
Unappropriated profit		<u>449,893,096</u>	420,030,329
		<u>649,893,096</u>	<u>620,030,329</u>
LIABILITIES			
Non-current liabilities			
Deferred taxation - net		1,214,474	220,545
Lease liability		8,700,000	-
Long-term loan from a banking company	9	266,666,666	333,333,333
		<u>276,581,140</u>	<u>333,553,878</u>
Current liabilities			
Advances	10	393,669,755	362,933,353
Loan from a director		12,000,000	12,000,000
Accrued expenses and other payables	11	49,748,154	34,827,470
Current maturity of long-term loan	9	133,333,334	66,666,667
Accrued mark up on long-term loan		40,631,668	16,703,996
		<u>629,382,911</u>	<u>493,131,486</u>
Contingencies and commitments	12		
Total equity and liabilities		<u><u>1,555,857,147</u></u>	<u><u>1,446,715,693</u></u>

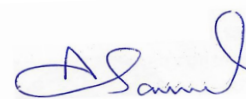
The annexed notes from 1 to 19 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive



Director

Arif Habib Dolmen REIT Management Limited
Condensed Interim Statement of Profit or Loss (Unaudited)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED 31 MARCH 2024

	Note	<i>Nine months period ended</i>		<i>Quarter ended</i>	
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
		----- Rupees -----		----- Rupees -----	
Operating revenue	13	221,790,980	237,014,604	68,796,580	93,458,324
Administrative expenses	14	(105,881,025)	(94,936,654)	(36,790,410)	(39,639,467)
		115,909,955	142,077,950	32,006,170	53,818,857
Other expenses	15	(7,354,369)	(5,390,986)	(2,661,111)	(2,000,000)
Other income		4,770,560	11,327,112	4,048,996	2,651,296
		(2,583,809)	5,936,126	1,387,885	651,296
		113,326,146	148,014,076	33,394,055	54,470,153
Finance costs		(70,958,467)	(49,978,455)	(23,455,562)	(17,102,465)
Profit before taxation		42,367,679	98,035,621	9,938,493	37,367,688
Taxation	16	(12,504,912)	(30,407,372)	(3,452,976)	(12,571,597)
Profit after taxation		29,862,767	67,628,249	6,485,517	24,796,091
Earnings per share - basic and diluted		1.49	3.38	0.32	1.24

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



Chief Financial Officer



Chief Executive



Director

Arif Habib Dolmen REIT Management Limited
Condensed Interim Statement of Comprehensive Income (Unaudited)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED 31 MARCH 2024

	<i>Nine months period ended</i>		<i>Quarter ended</i>	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	-----Rupees-----		-----Rupees-----	
Profit after taxation	29,862,767	67,628,249	6,485,517	24,796,091
Other comprehensive income	-	-		
Total comprehensive income	<u>29,862,767</u>	<u>67,628,249</u>	<u>6,485,517</u>	<u>24,796,091</u>


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



Chief Financial Officer



Chief Executive



Director

Arif Habib Dolmen REIT Management Limited
Condensed Interim Statement of Changes in Equity (Unaudited)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024

	Issued, subscribed and paid-up capital	Revenue reserve	
		Unappropriated profits	Total
	----- Rupees -----		
Balance as at June 30, 2022	200,000,000	65,747,480	265,747,480
<i>Total comprehensive income for the period</i>			
- Profit after taxation	-	67,628,249	67,628,249
- Other comprehensive income	-	-	-
	-	67,628,249	67,628,249
Transactions with owners			
- Dividend Paid		(20,000,000)	(20,000,000)
Balance as at March 31, 2023	200,000,000	113,375,729	313,375,729
Balance as at June 30, 2023	200,000,000	420,030,329	620,030,329
<i>Total comprehensive income for the period</i>			
- Profit after taxation	-	29,862,767	29,862,767
- Other comprehensive income	-	-	-
	-	29,862,767	29,862,767
Balance as at March 31, 2024	200,000,000	449,893,096	649,893,096


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



Chief Financial Officer



Chief Executive

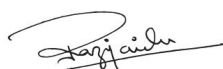


Director

Arif Habib Dolmen REIT Management Limited
Condensed Interim Statement of Cash Flows (Unaudited)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024

		31-Mar-24	31-Mar-23
	Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		42,367,679	98,035,621
<i>Adjustment for non-cash and other items:</i>			
- Depreciation on property and equipment	3	2,180,250	1,109,939
- Amortisation of intangible assets		88,407	224,430
- Depreciation on right-of-use assets		-	-
- Markup accrued on bank deposits		(4,770,560)	(11,327,112)
- Dividend income		-	-
- Finance costs		70,958,467	49,978,455
		68,456,564	39,985,712
Cash generated / (used) from operating activities before working capital changes		110,824,243	138,021,333
Working capital changes			
<i>(Increase) / decrease in current assets</i>			
- Receivable from schemes	6	(13,373,564)	(218,355,398)
- Loans and advances		(8,066,417)	(1,441)
- Prepayments and other receivables		(951,699)	(16,819,667)
- Short term investment		-	(17,600)
		(22,391,680)	(235,194,106)
<i>Increase / (decrease) in current liabilities</i>			
- Advances		30,736,402	-
- Accrued expenses and other payables	11	14,920,684	38,606,995
		45,657,086	38,606,995
Cash generated / (used) in operations		134,089,649	(58,565,778)
Long term advances and deposits		(880,394)	(3,628,171)
Finance cost paid		(47,030,795)	(49,496,324)
Taxes paid		(13,460,069)	(15,054,167)
Net cash generated / (used) in operating activities		72,718,391	(126,744,440)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	3	(14,810,419)	(755,534)
Proceeds from disposal of property and equipment		-	140,501
Markup received		4,496,972	12,508,928
Net cash generated / (used) from investing activities		(10,313,447)	11,893,895
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Car financing loan		8,700,000	-
Repayment of lease liability		-	(3,775,406)
Dividend paid		-	(20,000,000)
Net cash generated / (used) from financing activities		8,700,000	(23,775,406)
Net increase / (decrease) in cash and cash equivalents		71,104,944	(138,625,951)
Cash and cash equivalents at the beginning		4,071,916	184,175,378
Cash and cash equivalents at the end	8	75,176,860	45,549,427

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



Chief Financial Officer



Chief Executive



Director

Arif Habib Dolmen REIT Management Limited
Notes to the Condensed Interim Financial Statements (Unaudited)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024

1. STATUS AND NATURE OF BUSINESS

1.1 Arif Habib Dolmen REIT Management Limited ('the Company') was incorporated in Pakistan as a public limited company (un-quoted) on April 08, 2009 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company is a REIT Management Company, registered under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 with the Securities and Exchange Commission of Pakistan (SECP). The certificate for commencement of business was obtained from SECP on September 07, 2009. The registered office of the Company is situated at Arif Habib Centre, 23 M.T. Khan Road, Karachi, Pakistan.

The principal business of the Company is to launch Real Estate Investment Trust (REIT) Schemes and provide REIT management services in accordance with the Real Estate Investment Trust Regulations, 2022. As on March 31, 2024 the Company has been rated AM2+ (RMC) by VIS Credit Rating Company Limited.

1.2 The REIT schemes currently under the management of the Company are as follows:

S. No.	REIT Scheme	REIT Type	Location of the Real Estate Project	Life of the REIT Scheme	Fund Size (Rs. in million)	Date of registration by the SECP	Date of registration under the Sindh Trusts Act, 2021	Listing Date
1)	Dolmen City REIT	Rental REIT	Dolmen Mall Clifton and The Harbor Front, Karachi.	Perpetual	22,237	29-May-15	20-Jan-15	26-Jun-15
2)	Silk Islamic Development REIT	Development REIT	Surjwani Town, Karachi	8 Years	3,000	30-Jun-21	08-Jul-21	Not listed
3)	Silk World Islamic REIT	Development REIT	Surjwani Town, Karachi	4 Years	6,160	27-Sep-21	26-Aug-21	Not listed
4)	Pakistan Corporate CBD REIT	Development REIT	Old Walton Airport, Lahore	4-5 Years	15,016	22-Dec-21	29-Oct-21	Not listed
5)	Sapphire Bay Islamic Development REIT	Development REIT	Ravi Riverfront City, Punjab	8-10 years	25,000	12-Jan-22	24-Dec-21	Not listed
6)	Globe Residency REIT	Development REIT	Naya Nazimabad, Karachi	5 Years	2,800	13-Jan-22	24-Dec-21	28-Dec-22
7)	Rahat Residency REIT	Development REIT	Naya Nazimabad, Karachi	5 Years	1,650	03-Aug-22	24-Jun-22	Not listed
8)	Naya Nazimabad Appartments REIT	Development REIT	Naya Nazimabad, Karachi	7 Years	5,875	03-Aug-22	24-Jun-22	Not listed
9)	DHA Dolmen Lahore REIT	Rental REIT	Dolmen Mall, Lahore	Perpetual	15,528	03-Aug-22	27-Jun-22	Not listed
10)	Signatue Residency REIT	Development REIT	Naya Nazimabad, Karachi	4 Years	825	22-Mar-23	22-Mar-23	Not listed
11)	Gymkhana Apartment REIT	Development REIT	Naya Nazimabad, Karachi	7 Years	4,300	20-Jun-23	20-Jun-23	Not listed

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017;
- The Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 (the NBFC Rules 2003); and

- The Real Estate Investment Trust Regulations 2015 (the REIT Regulations 2015).

Where the provisions of and directives issued under Companies Act, 2017, the NBFC Rules 2003, the REIT Regulations 2015 differ from IFRS standards, the provisions of and directives issued under Companies Act, 2017, the NBFC Rules 2003, the REIT Regulations 2015 have been followed.

2.2 Basis of measurement

In these financial statements, all items have been measured at their historical cost except for long term investment which are carried at fair value.

2.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.4 Judgments and sources of estimation uncertainty

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in these financial statements is included in the following notes:

Area of judgement	Brief description of the judgement applied
Timing of revenue recognition	<i>Advisory services:</i> Whether performance obligation is satisfied at a point in time or over time that is whether the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs

(b) Assumptions and other major sources of estimation uncertainty

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Area of estimation uncertainty	Brief description of the assumption or the source of estimation uncertainty
Long term investment	Estimation of fair value of investment in units of Silk Islamic Development REIT

3. PROPERTY AND EQUIPMENT

	Furniture & fixtures	Office equipment	Computer and allied equipment	Telecommu- nication equipment	Vehicles	Total
	Rupees					
As at June 30, 2023						
Cost	1,863,654	702,512	5,521,889	783,208	250,500	9,121,763
Accumulated depreciation	(381,819)	(115,415)	(2,830,235)	(543,969)	(110,127)	(3,981,565)
Net book value	1,481,835	587,097	2,691,654	239,239	140,373	5,140,198

Movement during the period

Opening net book value	1,481,835	587,097	2,691,654	239,239	140,373	5,140,198
Additions during the period		19,190	578,329	55,000	14,157,900	14,810,419
Disposals during the period						
Depreciation for the quarter	(166,716)	(68,202)	(696,032)	(53,679)	(1,195,621)	(2,180,250)
Closing net book value	1,315,119	538,085	2,573,951	240,560	13,102,652	17,770,367

4. LONG TERM INVESTMENT - at fair value through profit or loss

31-Mar-24 30-Jun-23
-----Rupees-----
Note

Investment in Silk Islamic Development REIT	4.1	<u>941,400,000</u>	<u>941,400,000</u>
---	-----	--------------------	--------------------

4.1 This represents the Company's investment in 60 million units of Silk Islamic Development REIT, a real-estate investment scheme being managed by the Company ('the Scheme'). The investment was made in June 2021 at a cost of Rs. 600 million.

5. LONG TERM ADVANCES AND DEPOSITS Unsecured, considered good

31-Mar-24 30-Jun-23
-----Rupees-----

Long term advances	5.1	8,649,976	7,769,582
Security deposit with Central Depository Company of Pakistan Limited		<u>212,500</u>	<u>212,500</u>
		<u>8,862,476</u>	<u>7,982,082</u>

5.1 These represent the amounts extended to employees in accordance with the terms of employment and Company's policy to facilitate employees to obtain motor vehicles on lease or on any other Islamic mode of financing.

6. RECEIVABLE FROM SCHEMES

31-Mar-24 30-Jun-23
-----Rupees-----

Management fee	167,214,830	157,759,723
Scheme setup cost	238,748,047	249,037,607
Other receivable from schemes	<u>78,718,017</u>	<u>64,510,000</u>
	<u>484,680,894</u>	<u>471,307,330</u>

	<i>Note</i>	31-Mar-24	30-Jun-23
		-----Rupees-----	
7. PREPAYMENTS AND OTHER RECEIVABLES			
Prepayments		1,625,547	963,541
Receivable from related parties - unsecured - Javedan Corporation limited		354,187	354,187
Others		<u>2,642,952</u>	<u>2,270,884</u>
		<u>4,622,686</u>	<u>3,670,987</u>

8. CASH AND BANK BALANCES

Cash in hand		-	24,690
Cash at bank			
- Saving accounts	<i>8.1</i>	64,983,440	4,038,846
- Current accounts		10,193,419	8,380
		<u>75,176,859</u>	<u>4,047,226</u>
		<u>75,176,859</u>	<u>4,071,916</u>

8.1 These carry markup at the rates ranging from 15.00 % to 20.5% (per annum).

		31-Mar-24	30-Jun-23
		-----Rupees-----	
9. LONG TERM LOAN FROM A BANKING COMPANY			
Loan from M/s. Bank Al Habib Limited	<i>9.1</i>	400,000,000	400,000,000
Less: Current maturity shown under current liabilities		<u>(133,333,334)</u>	<u>(66,666,667)</u>
		<u>266,666,666</u>	<u>333,333,333</u>

9.1 In June 2021, the Company had obtained a long term financing, amounting to Rs. 400 million, from M/s. Bank Al Habib Limited to meet its working capital requirements. In October 2021, the said facility was converted to Diminishing Musharika Financing in order to fund the two-third portion of the Company's 20% investment in the units of Silk Islamic Development REIT (SIDR). Subsequently, in April 2022, the bank approved the revised terms and conditions of the facility which are as follows:

(a) The profit is calculated at 6-Month average KIBOR + 1.5% (with a floor of 5% p.a. and a cap of 25% p.a.). The average KIBOR is to be reviewed on the first day of the each semi-annual period (commencing from the aforementioned date of the revision in terms and conditions of the financing facility which were negotiated in April 2022). The tenor of financing is 5 years from the date of disbursement (including 2 years grace period). The rental will be recovered on quarterly basis and the bank's share in the shape of units will also be purchased on a semi-annual basis.

(b) The financing arrangement is secured against the following:

- (i) assignment of periodic management fee to be received from Dolmen City REIT;
- (ii) title and ownership of the investment in units of SIDR in the joint name of the bank;

- (iii) pledge of 15,500,000 (June 30, 2022: 15,500,000) shares of M/s. Arif Habib Corporation Limited (with 30% margin) held by the director, Mr. Arif Habib, valuing Rs. 385.48 million; and
- (iv) joint personal guarantee of the directors, Mr. Arif Habib and Mr. Abdus Samad A. Habib, amounting, in aggregate, to Rs. 571.5 million each.

10. ADVANCES	<i>Note</i>	31-Mar-24	30-Jun-23
		----- Rupees -----	
Advances in respect of scheme set-up costs			
- Silk Bank Limited	<i>10.1</i>	305,876,802	305,876,802
- Business Vision (Private) Limited	<i>10.2</i>	<u>10,000,000</u>	<u>10,000,000</u>
		315,876,802	315,876,802
Advances in respect of management fee			
- DHA Dolmen Lahore REIT		36,842,720	39,550,000
- Naya Nazimabad Apartment REIT		25,114,172	-
- Gymkhana Apartment REIT		13,998,997	-
- Sapphire Bay Islamic Development REIT		1,322,388	-
- Signature Residency REIT		514,676	7,506,551
		77,792,953	47,056,551
		<u>393,669,755</u>	<u>362,933,353</u>

10.1 This represents an advance received from a commercial bank for the purpose of funding certain initial expenditures incurred or to be incurred on the setting up of Silk World Islamic REIT (SWIR) which include, but are not limited to, expenses relating to feasibility studies, asset valuation, legal counsel and court fees, land transfer duties and taxes and charges to be paid to Sindh Building Control Authority (SBCA). The principal terms and conditions of the advance are as follows:

- (a) Repayment of the advance shall only be made out of the reimbursements of set up costs to be received from SWIR; and
- (b) The advance shall not bear any interest.

10.2 This represents an amount received from M/s. Business Vision (Private) Limited for funding the initial expenditures incurred (or to be incurred) on behalf of Sky Garden REIT.

11. ACCRUED EXPENSES AND OTHER PAYABLES	31-Mar-24	30-Jun-23
	----- Rupees -----	
Accrued expenses	21,645,079	14,848,947
Sales tax payable	27,409,680	19,243,913
Withholding taxes payable	174,144	215,359
Other liabilities	519,251	519,251
	<u>49,748,154</u>	<u>34,827,470</u>

12. CONTINGENCIES AND COMMITMENTS

As of March 31, 2024, there were no material contingencies and commitments to report.

	Note	Nine months period ended		Quarter ended	
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
		----- Rupees -----		----- Rupees -----	
13. OPERATING REVENUE					
Management fee	13.1	250,623,809	241,039,324	82,926,307	81,080,727
Advisory fee		-	24,035,100	-	21,775,100
		<u>250,623,809</u>	<u>265,074,424</u>	<u>82,926,307</u>	<u>102,855,827</u>
Less: Sindh sales tax on		<u>(28,832,829)</u>	<u>(28,059,820)</u>	<u>(14,129,727)</u>	<u>(9,397,503)</u>
		<u>221,790,980</u>	<u>237,014,604</u>	<u>68,796,580</u>	<u>93,458,324</u>
13.1 REIT management fee					
Dolmen City REIT		109,883,630	97,202,229	36,008,173	33,670,002
Silk Islamic Development REIT		25,425,000	25,448,219	8,475,000	8,358,904
Globe Residency REIT		23,730,000	23,751,671	7,910,000	7,801,644
Rahat Residency REIT		13,983,750	8,482,739	4,661,250	2,786,301
Signature Residency		6,991,875	-	2,330,625	-
Sapphire Bay Islamic Development REIT		38,011,584	-	12,675,269	-
Pakistan Corporate CBD REIT		32,597,970	-	10,865,990	-
Silk World Islamic REIT		-	52,254,466	-	17,163,876
DHA Dolmen Lahore REIT		-	33,900,000	-	11,300,000
		<u>250,623,809</u>	<u>241,039,324</u>	<u>82,926,307</u>	<u>81,080,727</u>
14. ADMINISTRATIVE EXPENSES					
Salaries, allowances and benefits		60,952,586	65,259,257	24,118,727	31,054,379
Legal and professional		1,612,663	1,804,746	707,415	509,668
Office maintenance charges		3,878,500	3,261,141	398,028	931,859
Travelling expense		5,507,099	1,747,127	2,443,379	1,086,008
Depreciation on right-of-use assets		-	1,212,364	-	-
Insurance		3,002,539	1,279,798	1,477,067	-
Director meeting fee		4,150,000	1,400,000	750,000	575,000
Depreciation on property and equipment		2,180,250	1,109,939	1,057,008	381,008
Auditors' remuneration		1,304,750	662,800	396,250	142,850
Communication		861,967	586,020	218,000	190,536
Rent		4,054,296	1,409,841	1,501,230	772,752
Printing and stationery		529,407	521,305	95,866	217,385
Training and membership expense		1,519,917	2,044,956	940,650	-
Professional tax		107,500	29,990	-	-
Amortization on intangible assets		88,407	131,940	29,469	43,980
Others		16,131,144	12,475,430	2,657,321	3,734,042
		<u>105,881,025</u>	<u>94,936,654</u>	<u>36,790,410</u>	<u>39,639,467</u>
15. OTHER EXPENSES					
Advertisement fee		6,854,369	3,371,986	600,000	-
Donations		500,000	2,019,000	500,000	2,000,000
		<u>7,354,369</u>	<u>5,390,986</u>	<u>1,100,000</u>	<u>2,000,000</u>
16. TAXATION					
Current		11,510,983	30,600,430	3,452,976	12,513,475
Prior		-	-	-	-
		<u>11,510,983</u>	<u>30,600,430</u>	<u>3,452,976</u>	<u>12,513,475</u>
Deferred		993,929	(193,058)	323,574	58,122
		<u>12,504,912</u>	<u>30,407,372</u>	<u>3,776,550</u>	<u>12,571,597</u>

17. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated undertakings, sponsors, directors, the Company managing the voluntary pension scheme, key management personnel and their close family members. Details of transactions carried out and balances held with related parties other than those disclosed elsewhere in these financial statements are as follows:

<u>Transactions during the period:</u>	31-Mar-24	31-Mar-23
	Rupees	
Dolmen City REIT - (A scheme managed by the Company)		
Receipt of expenses	1,944,598	
Expenses paid	2,889,858	900,889
Silk Islamic Development REIT - (A scheme managed by the Company)		
Receipt of expenses	14,544,395	56,289,163
Expenses paid	3,747,160	149,908,745
Silk World Islamic REIT - (A scheme managed by the Company)		
Project management cost paid	14,208,017	14,010,000
Receipt of expenses	-	-
Expenses paid	4,869,876	15,344,087
Globe Residency REIT - (A scheme managed by the Company)		
Receipt of expenses	784,242	4,284,691
Expenses paid	404,133	1,104,200
Sapphire Bay Islamic Development REIT - (A scheme managed by the Company)		
Receipt of expenses	600,000	-
Expenses paid	9,266,007	600,000
Signature Residency REIT - (A scheme managed by the Company)		
Receipt of expenses	500,000	-
Expenses paid	501,632	-
Naya Nazimabad Apartment REIT (A scheme managed by the Company)		
Expenses paid	2,247,536	6,201,000
Parkview Apartment REIT (A scheme managed by the Company)		
Expenses paid	1,086,513	-
Meezan Centre REIT (A scheme managed by the Company)		
Expenses paid	1,086,513	-
Gymkhana Apartment REIT (A scheme managed by the Company)		
Expenses paid	3,796,682	-
Rahat Residency REIT (A scheme managed by the Company)		
Receipt of expenses	303,950	7,882,025
Expenses paid	290,184	6,119,500

	31-Mar-24	31-Mar-23
	Rupees	
Pakistan Corporate CBD REIT (A scheme managed by the Company)		
Expenses paid	<u>1,776</u>	<u>1,174,126</u>
DHA Dolmen Lahore REIT (A scheme managed by the Company)		
Expenses paid	<u>-</u>	<u>1,437,115</u>
Javedan Corporation Limited (Associate Company due to common directorship)		
Expenses paid	<u>1,830,000</u>	<u>169,500</u>
Receipt against expenses	<u>-</u>	<u>5,000,000</u>
Rotocast Engineering Company (Private) Limited (Associate Company due to common directorship)		
Payment of common shared expenses	<u>8,600,328</u>	<u>696,035</u>
Administration and common shared charges	<u>6,880,551</u>	<u>1,136,838</u>

Balances with related parties as at the reporting date :

	31-Mar-24	30-Jun-23
	Rupees	
Dolmen City REIT - (A scheme managed by the Company)		
Receivable	<u>1,027,635</u>	<u>82,375</u>
Silk Islamic Development REIT - (A scheme managed by the Company)		
Receivable against setup cost	<u>88,957,334</u>	<u>99,754,569</u>
Silk World Islamic REIT - (A scheme managed by the Company)		
Receivable against project management cost	<u>78,718,017</u>	<u>64,510,000</u>
Receivable against setup cost	<u>130,295,350</u>	<u>125,425,474</u>
Pakistan Corporate CBD REIT - (A scheme managed by the Company)		
Receivable against setup cost	<u>2,916,427</u>	<u>2,914,651</u>
Globe Residency REIT - (A scheme managed by the Company)		
Receivable against setup cost	<u>365,716</u>	<u>745,825</u>
Sapphire Bay Islamic Development REIT - (A scheme managed by the Company)		
Receivable/ (advance) against setup cost	<u>1,322,388</u>	<u>5,511,605</u>
Naya Nazimabad Apartment REIT (A scheme managed by the Company)		
Receivable against setup cost	<u>8,551,326</u>	<u>7,973,790</u>
Rahat Residency REIT (A scheme managed by the Company)		
Receivable against setup cost	<u>1,584</u>	<u>15,350</u>
DHA Dolmen Lahore REIT (A scheme managed by the Company)		
Receivable against setup cost	<u>2,707,280</u>	<u>2,707,280</u>
Parkview Apartment REIT (A scheme managed by the Company)		
Receivable against setup cost	<u>1,402,429</u>	<u>-</u>

	31-Mar-24	30-Jun-23
	Rupees	
Meezan Centre REIT (A scheme managed by the Company) Receivable against setup cost	<u>1,902,454</u>	<u>-</u>
Gymkhana Apartment REIT (A scheme managed by the Company) Receivable against setup cost	<u>4,612,623</u>	<u>-</u>
Signature Residency REIT - (A scheme managed by the Company) Receivable against setup cost	<u>1,632</u>	<u>-</u>
Arif Habib Limited (Associate Company due to common directorship) Payable	<u>10,556</u>	<u>10,556</u>
Arif Habib Corporation Limited (Associate Company due to common directorship) Payable against legal expense	<u>225,000</u>	<u>225,000</u>
Javedan Corporation Limited (Associate Company due to common directorship) Receivable	<u>354,187</u>	<u>354,187</u>
Rotocast Engineering Company (Private) Limited (Associate Company due to common directorship) Payable against administration charges	<u>2,144,353</u>	<u>3,126,150</u>

18 Date of Authorization

These condensed interim financial statements were authorized for issue in the board of Directors' meeting held on **April 30, 2024**.

19 General

Figures have been rounded off to the nearest Rupee unless otherwise stated.



Chief Financial Officer



Chief Executive



Director